Daily Report

Central Eurasia

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FBIS-SOV-95-161 *21 August 1995*

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Military Operations

Reportage on Events in Argun, West Chechnya

'Militants' Seize Argun

LD2108070395 Moscow ITAR-TASS in English 0642 GMT 21 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Text] Moscow, August 21 (ITAR-TASS) — A group of Chechen militants numbering between 200 and 250 people armed with grenade launchers, a flame thrower and assault guns entered the town of Argun 8 kilometres east of Groznyy late on Sunday and seized the district internal affairs department, a spokesman for the federal forces command in Chechnya told ITAR-TASS by telephone today.

The group entered the city riding in four Kamaz heavy trucks and ten cars at 20.10 on Sunday.

The command of the federal forces in Chechnya described the action as a gross violation of the military agreement between Moscow and the Chechen leaders signed at the end of July. It called on OSCE [Organization for Security and Cooperation in Europe] officials in Groznyy and Chechen military leader Aslan Maskhadov to arrive on the spot without delay.

The Chechen gunmen in Argun are led by Alaudi Khamzatov, a field commander from among the irreconcilable militants known for his connections in the world of organised crime.

Khamzatov is wanted for a number of major crimes committed both in and outside Chechnya, the spokesman said. He noted that the press centre of the federal forces has information about Alaudi Khamzatov's close contacts with terrorist Shamil Basayev's gang.

Citing Dzhokhar Dudayev's order, Khamzatov declared himself Argun's military commandant, and said that he had no claims to the federal forces command in Chechnya and asked it "not to interfere with Chechnya's internal affairs.

Federal troops have surrounded the Argun district police building where the militants are holed up.

Russian Tanks Leave Groznyy For Argun

LD2108100095 Moscow ITAR-TASS in English 0749 GMT 21 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY, August 21 (ITAR-TASS) — A column of federal armour left Groznyy at 12:50 (8:50 GMT) heading for the town of Argun seized by Chechen rebels.

The road traffic on a highway section between Groznyy and Argun has been limited. A unit of helicopter gunships is also on its way to the area.

Military sources told TASS that they did not exclude the use of force against the rebels if the latter refuse to lay down their arms and surrender.

Chechen militants led by field commander Alaudi Khamzatov on Sunday night occupied the building of the local internal affairs department. According to unconfirmed reports, they took four policemen hostage and are keeping them in the basement of the building.

OSCE Officials Arrive for Talks

LD2108085495 Moscow ITAR-TASS in English 0836 GMT 21 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Excerpt] GROZNYY, August 21 (ITAR-TASS) — OSCE [Organization for Security and Cooperation in Europe] official in Chechnya Sandor Meszaros arrived in the town of Argun, 8 kilometres east of Groznyy, on Monday morning, for talks with the Chechen militants who occupied the building of the local internal affairs department on Sunday evening. The OSCE official is now inside the building.

At around 11.00 Moscow time, Sandor Meszaros and Chechen group leader Alaudi Khamzatov spoke briefly with ITAR-TASS correspondents outside the building.

Asked if the incident in Argun should be seen as a direct breach of the military agreement signed on July 30, Meszaros replied, "I must think it over, I cannot give a definite answer now."

Khamzatov declared that "there is no breach of the agreement because I am in my native town and I have been appointed its military commandant."

Neither Chechen military leader Aslan Maskhadov nor official representatives of the Russian federal troops in Chechnya have arrived in Argun.

The military commandant's office of the federal forces is located 300 metres from the police headquarters taken over by the militants. Military sources told ITAR-TASS that Argun's military commissar Ivan Ivanov is now holding a conference there.

Meanwhile, the Chechen militants who seized the Argun internal affairs department on Sunday evening are building barricades around the police headquarters they are holding.

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They have expanded their zone of control by installing machine-guns on the roofs of two adjacent five-storey blocks of flats. According to military sources, the militants are armed with unguided jet projectiles.

Helicopters of the Russian forces can be seen hovering above the conflict zone. No fighting has been reported. [passage omitted]

'Militants' Maintain Steadfast Position

LD2108114795 Moscow INTERFAX in English 1101 GMT 21 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 21 (INTERFAX) — The Chechen field commander Alaudi Khamzatov who entered Argun last Saturday evening with 200 men does not intend to leave the town even if federal troops threaten to use force.

In a Monday interview with INTERFAX he said: "I am the commandant of Argun lawfully appointed by Dzhokhar Dudayev, I returned to my home and there is nothing shameful about it."

Argun is situated 10 kilometers east of Groznyy.

According to Khamzatov, one of the tasks of his unit is to control the movements of federal troops on the Groznyy-Gudermes highway — 100 meters away from the group's headquarters.

"If I were the federal command, I would refrain from the use of force against us. We are ready to die. A person who has lost everything does not fear anything," Khamzatov said.

Asked about the process of disarming Chechen groups Khamzatov said that he will surrender his weapons only at personal orders from Dudayev.

Meanwhile, members of the OSCE [Organization for Security and Cooperation in Europe] mission in Chechnya arrived in Argun Monday to try to settle the situation.

According to a report of the federal command in Chechnya, Khamzatov is an influential field commander with a record in organized crime, daring and capable of any criminal move. He closely cooperates with Shamil Basayev who led the gunmen's raid on Budennovsk, the Stavropol territory, last June.

Federal Troops Plan Assault

LD2108112995 Moscow ITAR-TASS in English 1108 GMT 21 Aug 95

[FBIS Transcribed Text] MOSCOW, August 21 (ITAR-TASS) — Russian military commanders in Chechnya are planning to use force to unblock the situation in Argun outside Groznyy where Chechen militants stormed a police station on Sunday evening.

A spokesman for the command told ITAR-TASS by telephone at 14.15 Moscow time that "the command of the Russian troops has appealed to Sandor Meszaros, the head of the Groznyy mission of the Organisation for Security and Cooperation in Europe, to help evacuate civilians from Argun ahead of the military operation that will use aircraft and artillery to destroy" the Chechen fighters.

ITAR-TASS correspondents Sharip Asuyev and Mikhail Shevtsov report from a building 200 metres away from the police station taken over by the Chechen gunmen that the withdrawal of peaceful civilians from Argun has already begun. The entire territory around the police station is surrounded by Federal troops with soldiers standing 2-3 metres from one another. Armoured vehicles and tanks cover the entire perimeter of the building. Helicopter gunships continuously circle low overhead.

'Militants' Release Hostages

LD2108115495 Moscow ITAR-TASS World Service in Russian 1132 GMT 21 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Translated Text] Groznyy, 21 Aug (ITAR-TASS) — This afternoon the Chechen fighters released the four policemen whom they had kept hostage since Sunday evening. The hostages were kept in the basement of the regional police department building, which is still controlled by the fighters. This was announced to ITAR-TASS by Ivan Ivanov, the Russian military commandant in Argun.

He said the federal troops are fully prepared to storm the police building which is occupied by the fighters.

Heavy Artillery, Rocket Fire Heard

AU2108143495 Paris AFP in English 1406 GMT 21 Aug 95

[FBIS Transcribed Text] Argun, Russia, Aug 21 (AFP) — Russian forces opened fire Monday [21 August] with artillery and rockets on Chechen rebels holed up in the town of Argun.

Heavy artillery and helicopter rocket fire could be heard at 4:15 p.m. (1215 GMT) firing on the area around the police station occupied by hundreds of Chechen rebel fighters late Sunday.

The rebels refused earlier orders from Russian troops to surrender, saying they had taken control of the town captured by Russian forces in March.

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The heavy gunfire tailed off after about half an hour, followed by a fierce exchange of small arms fire.

Chechen military chief Aslan Maskhadov had said he was going from Argun to Groznyy to meet with the head of Russian forces in the Caucasus republic General Anatoly Romanov at 4:00 p.m. (1200 GMT) and discuss the standoff.

Federal Forces Recapture Argun

LD2108142495 Moscow ITAR-TASS World Service in Russian 1409 GMT 21 Aug 95

[By ITAR-TASS correspondent]

[FBIS Translated Text] Groznyy, 21 Aug (ITAR-TASS) — Federal forces have successfully completed the military operation to clear the Groznyy suburb of Argun of Chechen fighters. Journalists were told this at 1755 by a spokesman for the press center of the federal bodies of executive power in the Chechen Republic.

Basayev Threatens 'Sabotage'

LD2008135895 Moscow INTERFAX in English 1314 GMT 20 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 20 (INTERFAX) — Shamil Basayev, leader of a Chechen guerrilla hostage-taking raid on a south Russian town last June, has threatened "acts of sabotage" against Russia if Moscow does not stop armed action in Chechnya.

In an "Address to the Peoples of Russia" obtained by INTERFAX, Basayev says he has finished "all preliminary preparations for acts of sabotage in several large cities in Russia."

He expresses regret that it is mainly civilians who will suffer from such acts — "the government of the Russian Federation has used this time to make itself safe against sabotage."

Basayev accuses the Russian government of "most flagrantly violating" a deal it made with him on June 18 to resolve the hostage crisis and a military accord it signed with the Chechen separatists last month.

Sites for threatened sabotage would be "on the territory of the Russian Federation, excluding the territory of the North Caucasus."

"I appeal to the peoples of Russia to stop their rulers. If federal troops continue to use force on the territory of the Chechen Republic-Ichkeria (Chechen name for Chechnya), retaliatory measures will immediately be taken," Basayev warns.

More than 100 civilians were killed during Basayev's raid on the south Russian town of Budennovsk in June.

Evidence Found of Chemical Weapons Use in Chechnya

LD2008203595 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 20 Aug 95

[FBIS Translated Text] Observers suggest that many circumstances of the Chechen conflict will remain secret for a very long time. However, some of them are already being made public. Aleksandr Mrtsakanyan, an IZVESTIYA correspondent in the conflict zone, has told our radio station that for the first time since the beginning of the war, quite weighty evidence has been obtained on the use of the chemical weapons in Chechnya.

[Begin Mrtsakanyan recording] As a result of a special assignment carried out by the IZVESTIYA correspondent, together with the Moskva hospital, the remnants of containers and cluster bomb units that are usually used to dispense toxic agents, have been found in a wood near the village of Avtury. According to local people, many of them in May saw and heard strange explosions that are not typical of ordinary shells, and after the explosions they noticed a strong smell of gas.

In connection with the existence of a contaminated zone near the village of Avtury, [name indistinct], a Moscow city Duma deputy, has worked out a comprehensive program of ecological surveying to be followed by deactivation and decontamination. At present this program is being coordinated with the government of the Chechen Republic. [end recording]

Chechens Reportedly Training in Czech Republic

LD1808193795 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — A source in one of Russia's "power ministries" said on Friday a large group of Chechen fighters was finishing a training period in a camp for displaced persons in the Czech Republic.

The source told INTERFAX the fighters were in a camp near Teplice, Cerveny district, and were due to return to Chechnya via Turkey.

"The training of the fighters is being financed by the Chechen community in Luxembourg via a Syrian businessman of Chechen descent," the source said.

A senior official at the Czech embassy in Moscow said the embassy knew nothing about this.

The official told INTERFAX he had contacted his Foreign Ministry but had no reply by 5:00 p.m. (1300 GMT).

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He promised to contact INTERFAX as soon as he knew anything that could clarify the matter.

Russia's Foreign Intelligence Service has neither confirmed nor denied the power ministry source's words to INTERFAX.

Dudayev's House in Groznyy Blown Up

LD1808192695 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 18 Aug 95

[From the "Vremya" newscast]

[FBIS Translated Text] [Correspondent Grigoriy Brynza] The nights in Groznyy at present are reminiscent of last January's. There are the same rounds being fired from grenade-launchers and fierce exchanges of fire. Yesterday evening a grenade was thrown from a window at a passing armored personnel carrier and four servicemen received wounds. The life of one of them is in danger. [video shows some APCs and servicemen; serviceman aiming weapon from fortified position]

What is more, the tension is felt during the daytime, too. Vladimir Zorin said that the work of the Special Monitoring Commission has been continuing and everything is proceeding normally. Nevertheless, the expected exchange of prisoners did not take place today. [video shows Zorin addressing journalists; servicemen's mothers bearing placards]

Meanwhile there has been a marked increase in activity on the political stage. Dzhokhar Dudayev's house in Groznyy was blown up a short time ago. His female relative is certain that it was the work of the opposition. [video shows devastated house; and interview with Dudayev's female relative]

[Female relative] My opinion is that it was the Chechen opposition. It was not done by Russian soldiers.

Khadzhiyev Denies Militia Buying Weapons

LD2008144995 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1400 GMT 20 Aug 95

[FBIS Translated Text] [No dateline as received] — "The Chechen militia is not involved in buying up weapons, though it is part of the federal forces," Salambek Khadzhiyev, head of the Chechen National Rebirth government, told the Ekho Moskvy correspondent in Groznyy in a telephone interview.

Akhmed Akayev, minister of culture in the Dudayev government, said yesterday that the Chechen National Rebirth Government militia is buying up weapons alongside the Russian federal forces — and at a higher price, at that. Zakayev said the purchased firearms are being taken to an unknown destination, probably to be stockpiled and to arm Salambek Khadzhiyev's men, the Ekho Moskvy correspondent reported.

Chechnya Federal Troops Establish Propaganda Unit

LD2008113695 Moscow ITAR-TASS in English 1118 GMT 20 Aug 95

[By Sharip Asuyev, Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY, Aug 20 (ITAR-TASS) — The command of federal troops in Chechnya has formed a propaganda unit to fill the information void in which Chechnya's population remains.

ITAR-TASS was told in the press service of interior troops today that the task of the unit is to inform the population about developments in Chechnya and steps of the Russian command to implement July 30 military agreement.

The unit has a broadcasting vehicle which has been regularly appearing on crowded streets over the recent days.

The military give to locals free central periodicals and the army's and interior's newspapers and magazines.

The propaganda unit has been set up to counter recent activation of "Dudayev's propagandists with obvious anti-Russian and anti-army orientation."

Rumours are regularly mongered at Groznyy's central market about impending deportation of Chechens.

An ITAR-TASS correspondent saw confusion and apprehensive waiting of people.

A crowd of people permanently gathers near the Grozny headquarters of the Organisation for Security and Cooperation in Europe, the venue of the peace talks.

Opinions that are aired betray brain-washing sources of information.

Correspondent Reports on Russian Air Raid

AU1808165395 Paris AFP in English 1551 GMT 18 Aug 95

[Report by Peter Graff]

[FBIS Transcribed Excerpt] Groznyy, Russia, Aug 18 (AFP) — Chechen negotiators threatened Friday [18 August] to break off peace talks after Russian planes pounded a Chechen village, jeopardising efforts to implement a Russian-Chechen military accord.

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Chechen parliament speaker Akhiad Idigov said Friday that continued Russian attacks on Chechen settlements was throwing the whole peace process into doubt, a day after Russian warplanes raided the village of Roshni-Chu in the west of the Caucasus republic. [passage omitted]

Russian warplanes bombed Chechen separatist forces near Roshni-Chu Thursday, causing considerable damage to the small Chechen village some 60 kilometres (40 miles) southwest of Groznyy.

An AFP correspondent who visited the village Friday saw a three-storey building reduced to rubble and several other homes destroyed as well as patches of burned forest around Roshni-Chu.

Ramzan Yusupov, a senior local Chechen separatist official, said 11 people were injured in the air raid Thursday. For "security reasons" he could not say whether they were civilians or Chechen fighters.

A Russian defence ministry spokesman said the air raids came after Chechen forces attacked Russian troops.

However, a Russian soldier posted outside Roshni-Chu Friday said: "if you journalists talk, we will send reports on the radio that we were shot at. But we bombed the gorge and nobody shot at us." [passage omitted]

Chechen fighters meanwhile surrendered more weapons Friday in the Nozhai Yurt area of southeastern Chechnya, Russian ORT television reported, a day after rebels handed over arms in the Shali and Gudermes areas east of Groznyy. [passage omitted]

Speaking in Kulary, his home village about 15 kilometres (10 miles) southwest of Groznyy, former Chechen negotiator Usman Imayev told AFP Friday he was advising villagers how to implement the accord.

Imayev said he had resigned from all official posts in Chechnya after a dispute with Dudayev.

"Now my official title is citizen of the Chechen Republic and member of the local self-defence detachment." [passage omitted]

Elsewhere, a blast rocked Groznyy's main power station overnight, depriving the city of its newly-restored supply of electricity. [passage omitted]

Air Force Chief Comments on Performance in Chechnya

LD1908163295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 19 (INTERFAX) — The war in Chechnya claimed the lives of four Russian airmen. Dudayev militants downed two SU-25 and one SU-24 planes, the commander-in-chief of the Russian Air Force Colonel-General Petr Deynekin said in response to a question from the INTERFAX news agency.

Talking to newsmen in Moscow Saturday, Deynekin said that 26 planes were "quite damaged" when they returned to base in Chechnya. The enemy's had a very effective antiaircraft defense system, Deynekin said.

"Combat planes will fly as many missions as they will have to fly, to support the ground forces in that republic" but, Deynekin said, the airmen "have learnt the lesson of the Budennovsk tragedy."

According to Deynekin, Dudayev agents in Russia are trying to identify airmen who flew combat missions in Chechnya. "Chechens who want to learn the names of those who did their duty in Chechnya are circling around air bases in their BMW's and Mercedes'" but "we take appropriate counter-measures," Deynekin said.

A total of 165,000 men are serving on the Russian Air Force which has 6,000 aircraft, including 2,500 combat planes.

Negotiations in Groznyy

Negotiator Tells of Military Withdrawal From Vedeno

AU1808193995 Paris AFP in English 1920 GMT 18 Aug 95

[FBIS Transcribed Excerpt] Groznyy, Russia, Aug 18 (AFP) — A regiment of Russian troops has pulled out of the Vedeno district in southeastern Chechnya and efforts to disarm Chechen rebels were continuing despite local difficulties, a senior Russian negotiator said Friday [18 August].

Vladimir Zorin, deputy head of the federal administration in Chechnya, told AFP the Russian bombing of Chechen forces Thursday near Roshni-Chu, some 60 kilometres (35 miles) southwest of Groznyy, was "simply one of the factors complicating implementation" of the joint military accord signed on July 30.

He said that so far the Chechens had handed over more than 200 weapons in villages in southeastern Chechnya.

The Russian 501st regiment had withdrawn from the Vedeno region "although the town of Vedeno has not yet given up its weapons."

He called it a "voluntary action" by the Russians. [passage omitted]

Military officials from both sides went Friday to the Shelkovskaya district northeast of the devastated

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Chechen capital and to Achkhoy Martan, southwest of the city, where "complications arose from disarmament," Zorin said.

Chechen fighters clashed with Russian troops in Achkhoy Martan on Thursday.

Zorin said Chechen delegation leader Khodzh-Akhmed Yarikhanov gave him a statement Friday "in which he reaffirmed that the basis for the Chechens' implementation of the military accord is the text itself and not orders given by Dudayev later."

"This qualitatively changes the situation," Zorin said. [passage omitted]

Russian, Chechen Commanders Discuss POW Exchange

LD1808211095 Moscow INTERFAX in English 2021 GMT 18 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 18 (INTERFAX) — Ways of exchanging forcibly held persons were discussed by the co-chairmen of the Special Supervisory Commission, Chechen chief of staff Aslan Maskhadov and the commander of the joint federal group of troops in Chechnya Anatoliy Romanov at a meeting in Groznyy Friday.

As INTERFAX has learned from Colonel Vladimir Ivanov, who leads a group monitoring the release of prisoners, 275 federal troops have been listed as missing since December 1, 1994. A total of 100 are listed as illegally held detainees, 71 of them according to their parents' statements, and 29 according to data from other sources. This puts the total number of Russian servicemen being searched for at 375.

As the internal forces spokesman in Chechnya Vasiliy Panchenko has reported to INTERFAX, the Chechen side has officially submitted the list of servicemen compiled according to documents from the so-called "Vedeno sack."

A sackful of papers, found in the Vedeno community recently, contained identity certificates and army cards carrying the names of 95 Russian servicemen who are being looked for.

The Chechen delegation has voiced its readiness to swap 12 Russian servicemen according to the "all for all" formula. This means that Chechen representatives insist on exchanging 12 Russian servicemen to over 1,300 Chechens who were detained during the crisis.

However, Russian negotiators insist on clearing the fate of each of the 375 Russian servicemen, and only then conducting "an all for all" exchange.

Commanders Hold Final Meeting

LD1808201295 Moscow ITAR-TASS World Service in Russian 1842 GMT 18 Aug 95

[By Mikhail Shevstov]

[FBIS Translated Text] Groznyy, 18 Aug (ITAR-TASS) — The tension that arose this morning at the peace talks in Groznyy with regard to the complication of the state of operations near the town of Achkoy-Martan on Thursday has now been relieved. The crisis "could be said to have been settled", Aslan Maskhadov, chief of staff of the Chechen armed formations, said this evening after his final meeting with Anatoliy Romanov, commander of the Combined Group of Forces in Chechnya. Maskhadov expressed satisfaction at the lieutenant-general's explanations. In the opinion of the commander of the Combined Group of Federal Forces, the reasons for the incident could be put down to the fact that "we have yet to overcome our mutual distrust complex."

Assessing the situation that has evolved thus far, Romanov noted that there were fewer hot spots and seats of tension. He said that the situation in the village of Kurchaloy, where resistance had not yet been overcome and disarmament had not yet begun, remained the most complex. On Saturday, Aslan Maskhadov, chief of the staff of the Chechen formations, intends to go to this village with representatives of the Special Monitoring Commission.

Lieutenant General Romanov is not completely satisfied with how disarmament is proceeding. He told ITAR-TASS that the disarmament process is being actively discussed at rallies now, but few real steps have been taken. He said that as soon as real disarmament began the troops will be withdrawn from villages as stipulated by the agreement on the military bloc of issues.

The commander of the joint group of federal forces in Chechnya said that the 503d Army Motorized Rifle Regiment had been withdrawn from the village of Vedeno thus far. On Saturday, 179 pieces of armored and motorized equipment, and also 600 men will be withdrawn from the vicinity of Groznenskoye [name as received], to places of permanent deployment outside the republic. This process, the commander said, will take place in parallel with disarmament. He said that on Saturday members of the mixed monitoring Commission will go to a number of villages of Chechnya to continue disarmament work.

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Russian, Chechen Sides Agree on POW Exchange

LD1908143695 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1315 GMT 19 Aug 95

[FBIS Translated Text] A verbal agreement on the Russian and Chechen sides preparing POWs for an exchange was reached at a sitting of the joint monitoring commission on 19 August. However, the exchange itself did not take place, an Ekho Moskvy radio station correspondent reported from Groznyy.

He said that the sides had promised to return to the package of agreements on POWs at the commission's sitting on 20 August.

According to information from sources in the Chechen delegation, Chechen armed formations will continue to hand in weapons on 20 August.

Timing of Russian POW Turnover Uncertain

LD1908155295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 19 (INTERFAX) — Nine Russian servicemen are reported to be in detention at Chiri-Yurt, a community in southern Chechnya.

As Colonel Vladimir Ivanov in charge of the search for POWs told INTERFAX on Saturday, all nine are to be returned to the Russian side. However, it is not yet known when they will be handed over.

According to Ivanov, yet another three Russian servicemen are to be brought to Chiri-Yurt shortly.

He noted that of these 12 men, the Russian side had declared only five worth searching for.

"The rest could be left where they are since in their time they deserted their units and crossed over to the Chechen side virtually as they pleased," Ivanov stressed.

He noted that the deserters "do not want to return themselves, even though the Chechens just push them off."

As an example, he cited Aleksandr Ardyshev, a private who is now a sniper with a Chechen unit.

"He has accepted Islam and flatly refuses to return," Ivanov said.

The commission is sending a search team to the Nozhay-Yurt region today to locate the Russian servicemen, detained in the area.

Major Vladimir Zadilnikov, leading the group, has told INTERFAX that "for the moment, the group has no concrete data on the whereabouts of the Russian servicemen there." "They are thoroughly hidden by Chechens, and only chance meetings quite often lead to where they are kept", he added.

W. Chechnya Elders To Begin Disarmament Operations

LD1808212195 Moscow INTERFAX in English 1856 GMT 18 Aug 95

[FBIS Transcribed Text] ACHKHOY-MARTAN (CHECHNYA), Aug 18 (INTERFAX) — The elders of all the clans in Achkhoy-Martan, a village in western Chechnya, have decided to set up a self-defense unit comprised of 25 people and bring about voluntary disarmament of militants in the near future.

An INTERFAX correspondent reports that the elders also confirmed the list of names of the self-defense unit's members today.

The agreement on voluntary disarmament was reached in four-hour talks with the participation of members of the special conciliatory commission, Russian Major-General Pavel Maslov and the Dudayev side's representative Kazbek Makhashev, who came to the village today.

Makhashev told INTERFAX that the disarmament of militants in Achkhoy-Martan was expected to begin Saturday.

Commander of the Western Group of Chechen Formations Ruslan Gilayev, also present at the meeting, said the disarmament might begin only if Russia fulfilled its commitments under the military agreement. Russia's commitments include the withdrawal of federal troops 2-4 kilometers away from the line of engagement which must be followed by a complete Russian troop withdrawal from Chechnya.

Maslov said that Russia was going to offer to those handing over their arms 850,000 rubles for one Kalashnikov automatic gun, 150,000 rubles for a short gun, and 1 million rubles for a hand anti-tank grenade-launcher.

Maslov said the arms handover would take place at some Russian checkpoints in the outskirts of Achkhoy-Martan.

Maslov apologized to Chechnya for the actions of Russian servicemen who detained the Achkhoy-Martan region's military commander Vakhu Merzhoyev and two another Chechens. Merzhoyev said they had been seized by the Russian servicemen on their way to talks with Russian military officials on handing over armaments and had been brought to the Assinovskaya village.

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The detained Chechens were freed only after the Chechen side at the peace talks with Russia protested this Thursday evening. The detained said they had had to go through interrogations and humiliations.

Maslov told the Achkhoy-Martan elders that the incident was outrageous.

Shooting Incident During Chechen Arms Handover

LD1908164795 Moscow ITAR-TASS World Service in Russian 1556 GMT 19 Aug 95

[By Mikhail Shevtsov and Sharip Asuyev]

[FBIS Translated Text] Groznyy, 19 Aug (ITAR-TASS) — The surrender of weapons to federal troops which began in Achkhoy-Martan this afternoon has run up against new difficulties. Kazbek Makhashev, a member of the special commission for supervising the observance of the agreement on military issues, told ITAR-TASS on his return from Achkhoy-Martan this evening that immediately after the arms handover began an exchange of fire occurred between two federal checkpoints, during which, according to him, a 13-year old boy was killed and another one, aged 14, was seriously wounded.

The Chechen representative also says that the local police force controlled by the federal authorities is also buying weapons from the population, allegedly paying 1.2 million rubles for a submachine gun.

So far, the ITAR-TASS correspondents have been unable to obtain a confirmation of these reports from the joint command of the federal troops in Chechnya. The press bureau of the interior troops deployed in Chechnya told ITAR-TASS that the information supplied by Kazbek Makhashev was being verified.

At 1920 a meeting was in progress at the district military commandant's office between Maj-Gen Petr Maslov, deputy commander of the joint group of federal forces in Chechnya, and Aslan Maskhadov, the chief of main staff of the Dudayev forces.

ITAR-TASS has also been informed that the commander of the joint group of federal forces in Chechnya, Anatoliy Romanov, was summoned to Moscow and flew there today.

Chechen Leader Gilayev Upbeat on Disarmament

LD1908152295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] ACHKHOY-MARTAN, Aug 19 (INTERFAX) — Ruslan Gilayev, who leads the Western group of Chechen armed formations, has spoken in favor of conducting disarmament on condition that both sides honor their agreed-upon commitments.

Disarmament is "quite practicable," and the Chechen side intends to honor all its commitments, he told INTERFAX's correspondent on Saturday.

"We are interested in it," he stressed. "However, should the Russian side fail to honor its commitments under the agreement, particularly withdraw its troops from the line of engagement as the disarmament begins, it will face an adequate answer."

When asked about the possibility that some militias in the Western group refuse to surrender their arms, Gilayev said: "We did enough work to prevent this from happening." Nevertheless, he added, if this happens, such men will be viewed as "initiators of another war."

It is believed that Achkhoy-Martan will be the first population center in Western Chechnya, where militants will begin to lay down their arms. The first lot of weapons is expected to be surrendered on Saturday. At their meeting with members of the special observers' commission held on Friday, the elders of all Achkhoy-Martan clans promised to promote this process in every way possible.

Chechens Say Bombing Villages Violates Agreements

LD1808144795 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 18 (INTERFAX) — A group of Chechen representatives from the Special Supervision Commission (SSC) believes that the Russian party "has overstepped the framework of the achieved agreements" by bombing several villages and blocking Achkhoy-Martan, Kazbek Makhashev, member of the Chechen delegation to negotiations with federal authorities, declared to INTERFAX in Groznyy Friday.

According to Makhashev, Chechen members of the SSC visited Achkhoy-Martan the day before. Makhashev reported that Russian forces surrounded this regional center situated in the republic's west, blocked all communications connecting it with the outer world. Makhashev said, artillery shelling of Achkhoy-Martan was stopped by 19:30 of August 17, according to the Russian command.

Dzhokhar Dudayev's press representative Movladi Udugov told INTERFAX that SSC Co-Chairman Aslan Maskhadov plans to go to the village of Shchelkovskaya in the second half of the day in order to negotiate with field commanders and to settle the issue on voluntary handing over of arms by fighters.

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Earlier, the commander of illegal armed formations in this population center, as well as of Achkhoy-Martan and Kurchala, refused to fulfill the agreements on disarmament.

Romanov, Maskhadov Agree: No Other Way Except Peace

LD2008195795 Moscow NTV in Russian 1700 GMT 20 Aug 95

[From the "Itogi" program]

[FBIS Translated Text] The fact that a new spiral of confrontation was averted this week in Chechnya is linked here with two names, those of Anatoliy Romanov and Aslan Maskhadov. In an exclusive interview for "Itogi" they spoke about how they had managed to smooth the situation.

[Begin recording] [Anatoliy Romanov, commander of Joint Group of Federal Forces in Chechnya] I will probably begin by saying that the process of shifting from the tracks of hostilities to the political tracks is a very difficult one. Shifting this train requires a great effort. First of all, the effort is needed for everyone to realize that he is responsible for people's futures and for human lives. This is probably the main thing that guided us and that enabled us to relieve the tension.

The second reason is coordination of actions. We believe that there is no other way except the peaceful way to implement the agreement. The agreement itself has determined that everything has to be achieved by peaceful means alone.

[Aslan Maskhadov, chief of the Main Staff of Chechen armed units] I can only agree with what General Romanov has said. The main thing that we have achieved is that we two have reached mutual understanding to the effect that only peaceful means can be used by both sides. The two of us have realized this. As for those forces that are somehow trying to raise issues pertaining to the political package in the course of implementation of the military package — we have managed to persuade the military and the home guard detachments that the chosen path is the only one acceptable. [end recording]

[Correspondent Aleksandr Poklad] But behind the scenes of the talks, or rather in the wasteland outside the Groznyy Military Registration and Enlistment Office, it is rumored that personnel changes are possible at the top of the joint Group of the Federal Forces in Chechnya. Armed people on either side are, to put it mildly, less than enthusiastic about this possibility.

Military experts continued their consultations today. In a few days time the Chechen delegation intends to make an official statement and produce witnesses and documents proving that the Chechens detained in the filtration camp in Assinovskaya were subjected to torture. This, however, should not affect the peace process. Judging from the impression we have received from conversations with civilians, Russian servicemen and Dudayev's men, all are tired of the war.

This is probably why, this week at least, the war was gradually leaving Chechnya. Just as gradual is the restoration of Groznyy, where against the background of ruins one can see several newly-restored buildings.

Aleksandr Poklad, Yevgeniy Molchanov, and Stanislav Platonov, NTV, reporting from Chechnya specially for "Itogi". [video shows Romanov and Maskhadov talking to the reporters, sitting facing each other at a table]

Chechen Political Consultations To Resume 22 Aug

LD1908060595 Moscow Radiostantsiya Ekho Moskvy in Russian 0200 GMT 19 Aug 95

[FBIS Translated Text] Khozh-Akhmed Yarikhanov, head of the Chechen delegation, and Vladimir Zorin, deputy head of the territorial directorate of the federal bodies of executive power, have agreed during their meetings that consultations on political issues will resume on 22 August.

Rumors of Split Between Dudayev, Maskhadov Denied

LD2008095995 Moscow ITAR-TASS in English 0927 GMT 20 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY August 20 (ITAR-TASS) — The information minister in the Dudayev government, Movladi Udugov, in an exclusive interview with ITAR-TASS quoted separatist leader Dzhokhar Dudayev as saying that he wants a peaceful settlement of the Chechnya conflict.

Udugov said Dudayev made this statement during his meeting with Chechen military leader Aslan Maskhadov late on Saturday.

According to Udugov, Dudayev and Maskhadov in a three-hour talk discussed the implementation of July 30 military agreement, in particular withdrawal of federal troops from Chechnya.

Udugov said Dudayev opposed some provisions of the agreement.

Maskhadov agreed with Dudayev in that "the implementation of the agreement on withdrawal of troops is stalled on the part of the Russian side", Udugov said.

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"The rumours about a split between Dzhokhar Dudayev and Aslan Maskhadov are unfounded. They are on the common ground over the main issue of resolving the conflict in a peaceful way," Udugov said.

Yarikhanov: Dudayev Controls Delegation, Maskhadov

LD1908173495 Moscow INTERFAX in English 1640 GMT 19 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 19 (INTERFAX) — As before, Dzhokhar Dudayev controls and directs actions of the Chechen delegation at the negotiations in Groznyy and activity of the chief of the Main headquarters of the Chechen formations Aslan Maskhadov in the course of fulfilling the military package of agreement, head of the Chechen delegation at the negotiations in Groznyy Khozh-Akhmed Yarikhanov declared in an interview with INTERFAX Saturday. He refuted information stating that the Chechen delegation has allegedly lost connection with General Dudayev and is acting independently at the negotiations in Groznyy.

"We have a precise directive from our president and we do not intend to deviate from it. Our position remains unchanged," Yarikhanov underlined.

He reported that supreme leadership of Dudayev's government gathered for a secret sitting early on August 17 in the suburbs of the village of Roshni-Chu.

The three-storey building where this meeting was held (according to available information, Dudayev himself attended this meeting) was entirely destroyed by air strikes of Russian Air Force in the morning of August 17.

Lobov Asks Yeltsin To Reconsider Appointment

LD2008090695 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 20 Aug 95

[FBIS Translated Text] Oleg Lobov has asked Boris Yeltsin to cancel the decision to appoint him as the president's plenipotentiary representative in Chechnya.

Lobov said this in a letter that he sent to the president from Krasnodar territory, our radio station has learned from circles close to the Security Council secretary.

He said the reason for his request was that Dudayev's supporters see him as an advocate of the use of force to settle the Chechen conflict. Lobov stressed that he was ready to carry out any instruction issued by the president, but asked him to reconsider the question of this appointment.

Journalist's Moves Before Disappearance Traced

LD1808185595 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — Andrew Schumak, the freelance U.S. photojournalist missing in Chechnya for the fourth week, applied to Russian newspapers for help before going to Chechnya, Oleg Panfilov, expert at the Glasnost Fund, told INTERFAX Friday.

According to Panfilov, Schumak, being in St. Petersburg, asked for cooperation in several editor's offices and received a letter of recommendation from the local St. Petersburg-Press newspaper published in English. The experts said Schumak also learned about the situation in Chechnya from Andrey Vermishev, a correspondent of the Nevskoye Vremya newspaper. (Vermishev was a member of the group that searched for two Nevskoye Vremya journalists lost in Chechnya in February and still missing - IF note).

"Everyone who spoke with the U.S. journalist got the impression that he had an inadequate vision of the situation in Chechnya," stressed Panfilov.

He also said that "Schumak had no document identifying him as a journalist."

The U.S. journalist arrived in Chechnya on July 24. Next day he left the hotel he stayed at in Groznyy and nothing is known of his fate since then.

Politics and Nationalism

Chechen Administrative Heads Meet in Groznyy

LD1908170595 Moscow ITAR-TASS in English 1510 GMT 19 Aug 95

[FBIS Transcribed Text] MOSCOW, August 19 (ITAR-TASS) — The Russian government press department released the following statement to ITAR-TASS on Saturday:

"According to a report by the press centre of the Territorial Department of the Federal Bodies of Executive Power, a meeting of the heads of the administrations of settlements and districts of the Chechen republic has been held in Groznyy. Salambek Khadzhiyev, the Prime Minister of the National Revival Government, gave a report titled 'On the Role and Place of Self- Government Bodies in the Life of the Chechen Republic.' He described the social and political situation in the republic as complex and unstable, and outlined a new concept of the organisation of work of local bodies of power.

"The prime minister believes that settlements should have sufficient funds to carry out social and economic

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reforms in the countryside. The government of the Chechen republic has adopted a decision to delegate many of its functions to local authorities. For example, every settlement will have its own budget which will consist of tax payments to be made by local enterprises, organisations and institutions. Most of the taxes collected from the population will also go to the local budget. This will increase the role of self-government bodies. All enterprises, organisations, and state and collective farms located in villages will be subordinated to the heads of self-government bodies. In Khadzhiyev's view, the new approach towards the delimitation of powers among local governments will help increase the living standards of the rural population.

"The meeting was also attended by deputy head of the Territorial Department of the Federal Bodies of Executive Power of the Russian Federation in the Chechen republic N.Fedosov."

Chechnya's Khadzhiyev Views Current Situation

MM1808194395 Moscow TRUD in Russian 19 Aug 95 p 2

[Interview with Salambek Khadzhiyev, prime minister of the Chechen Republic Government of National Revival, by Mikhail Zubov in Groznyy; date not given: "Salambek Khadzhiyev: Yes, I Did Support Dudayev..." — first paragraph is TRUD introduction]

[FBIS Translated Text] I met Salambek Khadzhiyev, prime minister of the Chechen Republic Government of National Revival, in Groznyy in the days when the negotiating process between the Russian and Chechen sides was on the brink of breakdown.... And heard, to my surprise, the following confession:

[Khadzhiyev] In the early stage of Dudayev's political career, several years ago, I supported him. If only because, in a system, in a republic which is only just beginning to form, the personal factor plays a huge role. I saw in Dudayev leadership qualities, the abilities, the talent even, of a politician ready to play a brilliant role in the life of the republic. In some ways I was not mistaken.... Unfortunately.

[Zubov] Was his advent to the post of president legal?

[Khadzhiyev] To some extent. Other candidates campaigned no less for freedom and issued similar ideas and slogans. But Dudayev was the most impressive: His striking speech and demeanor, the fact that he was a pilot and a general, that his wife was Russian, and that he was therefore an internationalist. Chechens love effect, and it worked.

[Zubov] And how would you describe him now?

[Khadzhiyev] Arrogance, megalomania, and most of all — violently extremist thinking and ambition. This is what destroyed him as a politician. And brought Chechnya to catastrophe.

[Zubov] But could the war have been avoided?

[Khadzhiyev] I do not think so. Dudayev created three years ago a typically fascist regime. And such a regime cannot be destroyed from within but brings external aggression in its wake. It was possible to postpone the war, but not to avoid it. Dudayev effectively presented Russia with a choice: Either blockade Chechnya on all sides and say: Live how you like; or do what is happening right now. But no one thought that it would be so terrible...

[Zubov] How did the regime's "fascism," as you put it, express itself?

[Khadzhiyev] In massive violations of human rights. The law-enforcement system did not work. That is to say, it was aimed only at political goals — persecuting the regime's opponents. But murder, robbery, and violence were not prosecuted. No one fought the criminal world. Criminal-type behavior was effectively encouraged. And all this under the ideological dressing that in the best state in the world there can be no criminals or prisons....

[Zubov] How would you describe the situation in Chechnya today?

[Khadzhiyev] The situation is more than equivocal. On the one hand — the battle with our own fascism, on the other — this is nevertheless intertwined with features of a national liberation movement and to some extent satisfies the Chechen people's aspiration to self-determination. On the one hand is the Russian Federation's attempt to restore human rights, which had been flouted, on the other — unchecked imperial ambitions and the crushing of these rights.

[Zubov] Do you mean the "crushing" of the right to secede from Russia?

[Khadzhiyev] No. We would objectively be simply unable to live normally without Russia's production, economy, and technical and scientific potential. But we should have some measure of protection, so that no one can some day gather us together and exile us all from here, as has already happened, so that finally people can no longer do with us what they are doing now. Can you imagine that in Moscow or somewhere in Voronezh soldiers could on their commander's order simply occupy any building, throwing its inhabitants out on the street? But in Khankala, more than 300 families are not being allowed into their homes, which

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are occupied by the military. Surely you do not act like this with citizens of your own country? That is how you behave on someone else's territory. And how many schools will not be ready for the beginning of the school year or will be altogether unable to accept pupils because they are occupied by troops! It turns out that the confrontation with Dudayev gives some people the right to violate Russian laws on Chechen soil. If Russia and Chechnya decide to live together, it is necessary to stipulate how and on what conditions. Otherwise — not only did the war with Dudayev's regime turn into a war against the victims of that regime, against civilians, but after this war one violence is replaced by another. Again the man with the assault rifle, guided by no laws, decides our fates at his discretion.

[Zubov] By what considerations were you guided in entering into an alliance with Dudayev in the negotiating process?

[Zubov] Our side is doing everything possible to keep alive these negotiations, which are proceeding with difficulty, which are "on the brink of failure." Because of this, the government is prepared to make the broadest compromises, up to and including cooperating with Dudayev. Because at this stage it is more important to set aside all the contradictions, to stop the war, instead of simply explaining who is most to blame for it — and to hold democratic elections.

[Zubov] Parliamentary elections?

[Khadzhiyev] Yes. I personally am opposed to the presidential system in Chechnya. Not only because we have had our fingers burned on one president already. But because the mentality of the Chechen people themselves, their disposition and traditions, are not conducive to this. Chechens recognize collective decisionmaking, compromises, but never — one person's will over them. Today, I think, even the opposition is fighting not so much for its own elected general as against the attempt to foist some one else's will upon it. Take Basayev, for example. I do not think that he is answerable to anyone or depends on anyone. He is simply fighting for freedom according to his understanding of it, not sparing his own life. This commands respect. But his methods of combat are loathsome. He has attacked civilians and thereby likened himself to the brave warriors who have tainted themselves with the blood of innocents on this land.

[Zubov] In your view, what forces will secure victory in the elections?

[Khadzhiyev] It is hard to say. I will only suggest that Dudayev and his closest supporters have few chances. People understand: If he had not come to power, this war would never have happened. As president, he was obliged to act rationally, to make compromises, to act decently. If a man has taken it upon himself to become his people's leader, he **is obliged to find a way of keeping them from war**. Dzhokhar is to this day constantly destabilizing the situation, causing a whole people to balance on the brink of an abyss. Everyone can see that either he is incapable of understanding what he is doing., or else he thirsts for more blood. Neither add to his authority.

[Zubov] Do you not fear that, following the introduction of the post of the Russian Federation president's representative, the person who occupies this post will deprive the local organs of power of their autonomy?

[Khadzhiyev] There are presidential representatives in virtually all the republics (Ingushetia, Ossetia, Kabarda....) This mechanism is well oiled, and nothing out of the ordinary will happen, I think. Moreover, I hope that it will be of real help. For example — that it will have a certain influence on the military, or that it will assist the elections to pass off as honestly as possible. We are very committed to this.

[Zubov] Your enemies call Khadzhiyev's government a puppet government. What would you reply to this?

[Khadzhiyev] We at any rate are less dependent on external forces than the opposition. Our opponents are guilty of wishful thinking, they fantasize, but you should judge only by actions. We fully control the economy, our internal organs maintain law and order, they catch swindlers, robbers, and rapists.... Only we protect civilians — no one else does this. The only thing is that we can do almost nothing about the gunmen or the servicemen of the federal troops, who sense their impunity in everything they do.

[Zubov] How are things going with the rebuilding program, and who is involved in this?

[Khadzhiyev] The rebuilding program is being handled by Russian Federation ministries. It is going badly. The most terrible thing is that by the winter several thousand families — according to our forecasts, at least 15,000 — will remain without housing. Some of them will be able to spend the winter with relatives, some we will house in trailers. But around 2,500 families in Groznyy and 5,000 in the republic as a whole will be left on the street. The causes are the poor organization of city rebuilding programs and poor funding.

[Zubov] Will there be heating in the houses by the winter?

[Khadzhiyev] Yes, we will restore not only heating but water supplies and sewerage. There will be gas, and possibly electricity.

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[Zubov] What is your forecast: When will the situation in Chechnya stabilize?

[Khadzhiyev] You probably cannot imagine how life has changed in comparison even with April-May. There has been a gigantic improvement. People who saw how things were think that stability of the most real kind has already come today. Now it remains to take the last step — to fulfill the agreement on the military issues and move once and for all toward peaceful development. I want to believe that we can resolve the problems facing us and that this process will not drag on too long.

Soskovets Cited on Chechnya Settlement Prospects

MM2108114395 Moscow ROSSIYSKAYA GAZETA (Weekend Edition) in Russian 19 Aug 95 p 2

[Unattributed report: "Chechnya: Talks Must Be Successful"]

[FBIS Translated Text] The negotiating process in Chechnya must end in success. Oleg Soskovets, Russian Federation Government first deputy chairman, stated this yesterday when he addressed the conference of the Economic Cooperation Association of republics, krays, and oblasts of the North Caucasus in the capital of North Ossetia.

From what he said, "the recent development of events is marked by the fact that the Russian president and the government have taken unprecedented steps whose main aim has been a peaceful settlement in Chechnya and an end to the suffering of innocent people." We hope, the first vice premier stressed, that the negotiating process will end in the resolution of the prevailing situation.

According to Oleg Soskovets, the situation which formed in the Chechen Republic three years ago was the act of the emergence of an unlawful anticonstitutional regime which violated basic human rights, unleashed terrorist activity against Russia, and ignored Russian laws. The emergence of this regime was the "merit" of adventurers who managed to deceive the people with lavish promises but in fact brought them to complete impoverishment, while the lack of resolve on the part of the federal authorities assisted this to a great extent.

The first steps in establishing federalism in our country were perceived by some people as a sign of the state's weakness, Oleg Soskovets stated at the North Caucasus Association Council. But federalism is gaining strength in Russia. And treaties between Russian Federation organs of state power and organs of executive power in the localities are elaborating and formalizing the legislative criteria for mutual relations between the federal center and Federation components.

On the instructions of the Russian Government, the Russian Federation Ministry for Nationalities Affairs and Regional Policy is currently elaborating a draft decision "On Cooperation Between the Federal Organs of Executive power and Associations and On Economic Interaction Between Russian Federation Components."

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Agreement on Belarus, Kazakh, Russia Customs Union

Further Cooperation Sought

LD1808135395 Moscow INTERFAX in English 1029 GMT 18 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 18 (Interfax) — A Russian government delegation headed by Russian Deputy Prime Minister Aleksey Bolshakov arrived in Almaty Thursday evening to sum up results of implementing an agreement on creation of a customs union between Belarus, Russia, and Kazakhstan.

In an interview with Interfax in the airport of the Kazakh capital, Bolshakov declared that the three states have made great strides at integrating their economic systems. He added that now it is necessary to determine "concrete paths for further cooperation."

He reported that on Friday he is to meet with Kazakh President Nursultan Nazarbayev and Prime Minister Akezhan Kazhegildin.

In the course of these meetings, Bolshakov said, the officials will discuss issues related to the creation of the Economic Union within the CIS and bilateral cooperation.

Bolshakov stressed that Kazakhstan has done much to advance bilateral relations.

Bolshakov underlined that each of the two countries had "serious problems with their national currency in their time." But now, he said, there appeared an opportunity to achieve success "not only in the development of trade but in financial relations as well." In particular, the states should give up "the wildly funny variant which prevails today, namely barter deals."

Yeltsin Praises Initiative

LD1808151095 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 18 (Interfax) — Boris Yeltsin welcomed the completion of the first stage in the setting up of a customs union over Russia, Kazakhstan and Belarus. This is the essence of his letter to Kazakh President Nursultan Nazarbayev which was brought to Almaty Friday by Russian Deputy Prime Minister Aleksey Bolshakov.

Yeltsin said in his letter that free trade between the three countries has been restored, customs legislation unified and steps are being taken to protect the state borders jointly. "In this way, comprehensive integration in the framework of an Economic Union Treaty becomes a reality," the letter says.

Yeltsin expressed confidence that a Customs Union will be formed soon. The signing of a protocol on completion of the first stage of the formation of a customs union, the letter continues, will contribute to this goal. The signing is scheduled for August 19.

Yeltsin praised the new Kazakh Constitution draft to be voted on in a referendum on August 30.

He also said in his letter that a draft concept of a plan to resolve the Caspian problems has been sent to Almaty.

ITAR-TASS Carries Press Review for 19 Aug

LD1908064295 Moscow ITAR-TASS in English 0431 GMT 19 Aug 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW August 19 (Itar-Tass) — Under the headline "I don't believe that Russian people was created for a whip", the KOMSOMOLSKAYA PRAVDA newspaper carries an interview with President Boris Yeltsin, which he gave to the daily on the eve of the fourth anniversary of the August abortive coup.

In the opinion of the Russian leader, even if the State Emergency Committee had grabbed power, it would not have preserved the Soviet Union under any circumstances. "This had become clear much earlier in Tbilisi, Baku and Vilnius.

"Each such attempt produced a wave of people's anger in response, each of them showed that this was a cheap adventure." The president expressed concern over the state of the democratic movement in Russia. However, he believes that "most contradictions between the democratic opposition and the president can be settled".

Turning to the operation of the mass media, Yeltsin noted that "work of democratic institutes will be incomplete without the free press".

The PRAVDA newspaper also carries an article on the August 1991 events, featuring an interview with last Soviet cabinet head Valentin Pavlov who was member of the State Emergency Committee.

The army newspaper KRASNAYA ZVEZDA examines the disarmament process in Chechnya. "The surrender of arms by illegal armed detachments is naturally a heartening event," the daily writes.

"But it should not be overestimated. Anyone can clearly see submachine-gun butts bandaged with insulating tape, old machine-guns and mines with damaged bodies on TV screens. Did rebels fight federal troops with such weapons?

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"Where are Kalashnikov submachine-guns, recoiless guns, trench mortars, anti-tank guided missiles, portable antiaircraft systems and many other weapons? They have not been surrendered so far and evidently will not be."

Nevertheless, KRASNAYA ZVEZDA claims that "the process started" in eastern areas of the Chechen Republic, while "the irreconcilable" continue active combat operation against federal troops in western and southern areas.

Premier of the Moscow-backed Chechen government of national revival Salambek Khadzhiyev mulls over prospects for a settlement in Chechnya in the trade union newspaper TRUD. He claims that it is necessary to hold parliamentary elections in the Chechen Republic in the near future.

In Khadzhiyev's opinion, Dudayev and his followers have a slim chance to win the elections. "People understand: if he had not grabbed power, the war would not have broken out. As president, he had to act wisely, meeting halfway the opposite side.

"However, Dudayev destabilises the situation up to this time, making the entire people balance on the brink of a precipice," Khadzhiev notes.

Commander-in-Chief of the Russian Air Force Petr Deynekin describes the main provisions of the concept for building the Russian Air Force till the year 2000 to KRASNAYA ZVEZDA readers.

According to the military leader, the Defence Ministry has already completed the creation of air groups in the western direction. Two air armies of frontline aviation were formed in the Moscow Military District and the North Caucasian Military District.

The command switched to a five-year system of training personnel. It is introducing a mixed system of manning the air force (conscription and on a contract basis). The numerical strength of the air force was cut by about 76 percent.

"Despite all difficulties, we, I believe, managed to maintain combat readiness of the Russian Air Force at an adequate level," Deynekin stresses.

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Diplomat: Bosnia Summit Likely 'Before Mid October'

LD1908142595 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 19 (Interfax) — The crisis in Yugoslavia must be settled before mid October, and President Boris Yeltsin's call for holding a conference between the heads of leading countries to be attended by the warring Bosnian sides and by the presidents of Yugoslavia (Serbia and Montenegro), Croatia and Bosnia, will evidently be implemented by that time. Interfax learned this on Saturday from a high-ranking diplomat belonging to the entourage of the head of Russian diplomacy Andrey Kozyrev.

Such a conference may take place in Moscow, he said.

The international Contact Group for Bosnia will hold a meeting next week on the level of senior Foreign Ministry officials from Russia, the United States, Britain, France, and Germany. "They will evidently convene in Geneva," the source said. According to him, at that meeting Russia will be represented by Aleksander Zotov, the Russian president's special envoy for settling the crisis in the former Yugoslavia, who will leave for the conflict area and subsequently for Geneva on Sunday.

The next stage in preparations for the proposed summit will be a Contact Group conference on the level of foreign ministers, the diplomat said. "We believe that it will be held either in Paris or in Geneva in late August or early September," the source said. According to him, the warring sides, except the leader of Bosnian Moslems Alia Izetbegovic, have displayed willingness to reach a compromise and supported the peace initiatives known as the American plan for resolving the conflict.

The Foreign Ministry source believes that it is inappropriate to refer to the proposals voiced by Washington as the American plan. "The plan is as American as Russian. It is a result of joint efforts exerted by the Contact Group in the past year," the source said.

Russia, he went on to say, stood for granting Bosnian Serbs the right to establish a confederation with Yugoslavia (Serbia and Montenegro) (the Moslem-Croat federation already received the right to form a confederation with Croatia). "However this proposal has found support only now in the Americans' wording," the source said.

According to him, in 60 or 90 days, needed to implement the agreements on troops withdrawal expected to be reached at the October summit, participants in it will request the U.N. Security Council to lift the international sanctions imposed against Yugoslavia (Serbia and Montenegro). "We hope that the former Yugoslav republics will enter 1996 with wars and conflicts behind them," the diplomat concluded.

Moscow, Belgrade Plan To Restore Trade Relations

LD1808150395 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (Interfax) — Every year Russia loses about $5 billion in foreign trade as a result of economic sanctions against Yugoslavia, a top-ranking official from Russia's Economic Relations Ministry reported in an interview with Interfax Friday.

"Before the sanctions were introduced, the trade turnover between Russia and Yugoslavia was about $7 billion," the anonymous source said. According to ministry's experts, about 80% of this balance represented Russian exports. In accordance with foreign trade statistics before 1992 Yugoslavia was always in the top ten of Russia's business partners.

Russian and Yugoslavian parties believe that despite Yugoslavia's unfavorable balance in trade with Russia, economic relations between two countries were mutually beneficial because Moscow provided Yugoslavian industry and power engineering with raw materials and received high quality consumer goods in exchange.

All these factors, the ministry source said, "have led the countries to the understanding of the need to restore mutual trade and the whole spectrum of economic ties in full extent."

For this purpose, the press center of Russia's trade ministry reports, the first sitting of the Inter-government Russian-Yugoslavian committee on trade, economic and scientific-technical cooperation will be held in Moscow Monday.

The trade ministry also reported to Interfax that "signing of a great package of documents, including an agreement on long-term supplies of oil from Russia to Yugoslavia and on cooperation in the construction of gas pipelines on Yugoslavia's territory can take place" after the committee concludes its work.

In addition, trade ministry officials do not rule out the possibility that the parties would sign agreements on mutual protection and encouragement of capital investments and on avoiding dual taxation. According to trade ministry officials, preparation of these documents for signing testifies "to a serious intention of the two countries to develop cooperation in creating joint ventures and in the sphere of large investments in industrial production."

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Croatian, Bosnian Rejection of Bildt Mission Faulted

LD1808145895 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (Interfax) — The Russian Foreign Ministry is perplexed with the sharply negative attitude of Sarajevo and Zagreb to Swedish international mediator Carl Bildt, European Union co-chairman of the London Conference for Former Yugoslavia, a Foreign Ministry spokesman told Interfax Friday.

According to media reports, the Muslim government in Sarajevo had refused to meet Carl Bildt under the pretext that he is a mediator "in a dead process." Croat officials had also refused to meet Carl Bildt earlier and said they do not want to have anything in common with the mediator nor with the peace initiatives represented by the Swedish politician.

Known as "the Bildt plan," the initiatives would cancel sanctions against Belgrade in exchange to mutual recognition of the Union Republic of Yugoslavia and Bosnia [as received]. In contrast to other member-states of the contact group, Russia had fully supported the plan.

In the words of First Deputy Director of the Russian Foreign Ministry's Information and Press Department Mikhail Demurin, "the Russian Foreign Ministry thinks it is counterproductive to reject the services of Carl Bildt, a renowned politician who was entrusted by such an authoritative organization as the European Union with a complicated mission to search for ways of settlement in former Yugoslavia."

"It is even more counterproductive to create an intolerant atmosphere around the international mediator, and, unfortunately, this is done both in Bosnia and Croatia," stressed the diplomat.

He called attention to "purposeful propaganda attacks at diplomatic representatives of states actively participating in the Yugoslav crisis settlement." Such attacks are made in Zagreb. "This is absolutely inadmissible," stressed the diplomat.

Croatians Shell Peacekeepers in Eastern Slavonia

LD1908121295 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 19 Aug 95

[From the "Novosti" newscast]

[FBIS Translated Text] An explosive situation is developing in the eastern part of Serb Krajina, although no major hostilities are currently under way there. Last night Croatian forces used mortars to shell a Russian UN peacekeeping post in Serb Krajina's sector east. It was only by chance that no Russian soldiers were hurt. Shortly before that, another Russian peacekeeping post was fired on, also from Croatian positions.

Further Humanitarian Aid Prepared for Serb Refugees

LD2108103395 Moscow ITAR-TASS in English 1012 GMT 21 Aug 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, August 21 (Itar-Tass) — Russia is finalising preparations for stage-3 of its humanitarian aid supplies to the Serb refugees.

Sources in the Ministry for Emergencies of the Russian Federation told Itar-Tass today that a special train will take the bulk of the batch to the Balkans.

On Sunday Russian heavy trucks delivered 150 tonnes of food and other essentials to Belgrade. The batch contained 60 tonnes of sugar, milk products, preserves and a large amount of warm clothes, blankets, bed linen and tableware.

The Russian humanitarian aid convoy had left Noginsk outside Moscow in the early morning of August 16 and reached destination in the Balkans within three days, driving from Moscow to Bryansk to Kiev to Western Ukraine to Hungary to Belgrade.

Before the convoy reached Belgrade, three heavy transport aircraft belonging to the Russian Ministry for Emergencies airlifted 90 tonnes of medical preparations and food for refugees from Serb Krajina from Moscow to Belgrade on August 12.

Preparations are now in the home stretch for dispatching railway train to Yugoslavia. It will be the closing phase of the Russian operation initiated by President Boris Yeltsin.

Russian humanitarian aid is distributed by Red Cross and U.N. officials in Yugoslavia. General Secretary of the Yugoslav International Association "Twinned Cities" Urot Banjanin said in a letter to Itar-TAss that "the people of our country value highly the aid sent by the fraternal people of Russia from the first moment of the refugee tragedy."

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Croat Media 'Annoyed' at Russian, FRG, U.S. Embassies

LD1808195495 Moscow INTERFAX in English 1831 GMT 18 Aug 95

[Report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others; from the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 18 (Interfax) — Pro-governmental Croatian media are annoyed with Russian, U.S. and German Embassies in Zagreb because they "do not applaud" the Croatian authorities whose actions led to "massive exodus of Croatian Serbs from Krajina," a high-ranking diplomat at the Russian Embassy in Zagreb told Interfax over the telephone Friday.

"It is not normal when the press adamantly opposes all, even the most benevolent, criticism of the official position of Zagreb. Even more so, when such criticism is done by representatives of the states that are Croatia's loyal friends," noted the diplomat.

He said that the embassies of the countries that play a major role in the settlement of the crisis in former Yugoslavia must "express their concern" over various excesses, which is why the annoyed tone of the local media, including the television, "is of little worry to us."

The diplomat stressed that "the actions of the Croatian press significantly differ from the official Zagreb position." "Officials tell us that such statements on the part of the national media do not reflect the position of Croatian leaders," he said.

Official: 'Anti-Serb Mood' in UN 'Hard To Overcome'

LD1808195295 Moscow INTERFAX in English 1831 GMT 18 Aug 95

[Report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others; from the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 18 (Interfax) — Anti-Serb mood prevailing in the U.N. Security Council "is hard to overcome. No matter what happens in former Yugoslavia, the majority of Council members put the responsibility on Serbs," Director of the Russian Foreign Ministry's Department for International Organizations Aleksandr Gorelik told Interfax Friday.

The anti-Serb mood prevented a meeting of the U.N. security Council from discussing Croat shelling of Serb territory, Gorelik noted. The Yugoslav side had urged such a meeting.

At the same time, Russia rendered support to the Yugoslav initiative. "On the insistent request of Russia, the Council instructed its president to meet the Croat representative in New York and inform him of international concern," said the diplomat.

He stressed that this helped the international community to "send a signal" to Zagreb. "This is most important, the more so that developments on the Serb-Croat border are not the only ones and not the largest conflict on post-Yugoslavia's space."

Latest U.S. Moves on Former Yugoslavia Assessed

MM1808113995 Moscow KRASNAYA ZVEZDA in Russian 18 Aug 95 p 3

[Article by Mikhail Pogorelyy: "Balkans: Dangerous Maneuvers by U.S. Legislators"]

[FBIS Translated Text] Following the lightning tour of the European capitals of the U.S. allies by Anthony Lake, the U.S. President's national security adviser, and his meeting with Andrey Kozyrev in Sochi, Washington has made a new move. This time a delegation led by Richard Holbrooke, U.S. assistant secretary of state for Europe and Canada, has set off for the Balkans. According to information from the State Department, the purpose of Holbrooke's visit to Bosnia, Serbia, and Croatia is to prompt the conflicting parties to take part in talks on settling the crisis, using the results of Lake's visit "as a point of departure."

The principled U.S. approach coincides with the view of the other great powers: The point of departure for the talks should be the plan and map for a territorial division proposed by the Contact Group last year. But precisely a point of departure and not necessarily a definitive solution. That is, the Washington administration is clearly hinting to the Serbs, Muslims, and Croats that in this case "bargaining is appropriate." Or at least reports leaked to the press that the United States supports the idea of a trade — whereby the Serbs lift the blockade on Sarajevo and occupy Gorazde — are not being officially denied. There is every indication that Holbrooke mentioned this once again to Yugoslav leaders in Split, Belgrade, and Zagreb.

Meanwhile the U.S. Congress has continued to put forward its "options" for breaking the Yugoslav deadlock. President Clinton had not had time to announce his veto on the Congressional decision for the United States to unilaterally withdraw from the international embargo on arms shipments to the Muslim Bosnian Government when a new draft law of a similar thrust gestated in the Senate. And with equally dangerous consequences in the event of its implementation. The draft proposed

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by Senators Lieberman and McCain envisages the creation of a $100 million "Bosnia self-defense fund." This money, according to them, could be used to pay the expenses of foreign states that express a desire to help the Muslim regime of Bosnia-Herzegovina (to be specific, I am talking about Turkey, Malaysia, Jordan, and Saudi Arabia) and could also include a direct transfer of arms and munitions from the United States worth $50 million.

The Clinton administration claims that these maneuvers by the legislators threaten to "Americanize" the conflict and undermine the efforts to settle it, will result in major disagreements with its allies, and may provoke a large-scale war in the very heart of Europe.

While the politicians discuss the options, representatives of the civil administration and the UN military contingent in the former Yugoslavia are tackling the refugee problems generated by the Croatian Government's recent actions. Humanitarian freight — food and medicine — is arriving in Belgrade for distribution among the 130,000-150,000 Krajina refugees. At the same time the counterflow of Croat and Muslim refugees from northern Bosnia (the Banja Luka area) is increasing. Ron Redmond, a spokesman for the UNHCR, said that the Bosnian Serbs have unleashed a "campaign of terror" there against the non-Serb population, forcing them to leave their historical homes. Which is undoubtedly a response to the Serbs' eviction from Croatia.

Ministry Condoles U.S. Officials' Death in Bosnia

LD2008100095 Moscow ITAR-TASS World Service in Russian 0855 GMT 20 Aug 95

[FBIS Translated Text] Moscow, 20 Aug (ITAR-TASS) — The news of the death near Sarajevo of the U.S. representative in the international Contact Group on Bosnia and two other senior members of the American mission visiting the region has been received with sorrow in Moscow, a Russian Foreign Ministry statement received today by ITAR-TASS states.

"This adds further to the sad list of victims of the bloody war in the Balkans. The terrible toll is hundreds of thousands of persons killed or wounded, millions of refugees and the inhuman suffering of the civilian population. Again we call on the warring sides to think afresh, check their ambitions, find the strength to overcome mutual enmity and hatred and sit down at the negotiating table without delay.

"We are sure that Russia, the United States and the other members of the Contact Group, who are at present actively engaged in seeking a political settlement that takes account of the real interests of all the peoples in the territory of the former Yugoslavia, will make additional efforts to achieve a way out of the deadlock of senseless confrontation," the statement says.

Moscow Continues 'Firmness' on Iranian Nuclear Deal

LD2008142195 Moscow NTV in Russian 1500 GMT 18 Aug 95

[FBIS Translated Text] Construction work on the Bushehr nuclear power station in southern Iran is to begin in November or December of this year, the Russian delegation conducting negotiations on the issue in Tehran announced today.

[Correspondent Aleksandr Israelyan] [video shows Iranian street scenes, nuclear installations, U.S. Vice President addressing meeting] The contract for Russia to build a nuclear electric power station in the Iranian town of Bushehr, which has evoked such an adverse reaction from Western powers, particularly America, was signed in January of this year. According to the heads of the Russian Atomic Energy Ministry, it will come into force on 1 January next year. Russian specialists plan to commission the first set at Bushehr three or four years after construction starts. The estimated cost of the construction is $800 million. At the start of the next millennium, Moscow plans to start supplying Iran with nuclear fuel, and the radioactive waste will be processed by the Chelyabinsk Mayak combine.

This is the sort of light water reactor Russia plans to manufacture for the new power station. Furthermore, our specialists assert — and International Atomic Energy Agency experts agree with them — that with this sort of reactor it is virtually impossible to produce materials to create a nuclear bomb. But whatever weighty arguments Russia puts forward on the Iranian affair, they all come up against the Americans' assertion that Iran intends to make nuclear weapons, and Moscow is helping them do so.

This firm stand, one may assume, conceals quite simply irritation that the multi-million order went to Russia and not to the West. President Hashemi-Rafsanjani has, incidentally, poured oil on the fire: Categorically denying allegations that his country is secretly drawing up a program for developing nuclear weapons, he nevertheless declared on a previous occasion that it is a wholly normal state of affairs for Islamic forces to have their own nuclear bomb. Especially if Iran's neighbors are developing such projects — by neighbors, he evidently meant Israel. So, in the next few days we can expect additions to be made in Tehran to the contract on building the nuclear power station. In this situation, Moscow seems to have decided to demonstrate

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firmness and not to heed the advice coming from across the ocean.

Novosibirsk To Provide Fuel

LD1808131395 Moscow INTERFAX in English 1220 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, August 18 (Itar-Tass) — The contract which Russia and Iran signed in January 1995 envisions Russia's assistance to Iran not only in the construction of the first unit of a nuclear power plant in Bushehr, southern Iran, but a suppliament [as received] of fuel for it, sources in Moscow told Itar-Tass correspondent.

Itar-Tass was also told in the Russian Atomic Energy Ministry that the fuel would be exported to Iran by the Novosibirsk chemical concentrate plant, a joint stock company.

The plant started production in the early 1980s and has been updating its technologies since.

The plant specialises in the production of fuel assemblies for light-water reactors VVER-1000 which will be employed at the Bushehr nuclear power plant.

The other producer of the fuel for nuclear power plants is based in Electrostal, a town not far from Moscow.

The Elektrostal plant produces Chernobyl-type fast breeder reactors.

Radio Urges International Protests Over PRC Tests

OW1808133595 Moscow Voice of Russia World Service in Mandarin 1100 GMT 17 Aug 95

[Report by station commentator Potapov; from the "Current Events and Commentary" program]

[FBIS Translated Text] China conducted yet another underground nuclear test on Thursday, 17 August. Here is a report by station commentator Potapov.

The prospect of China conducting yet another nuclear test has become a reality. China should learn a lesson from the example of France, whose announcement of its plans to conduct a nuclear test has led to a deterioration in relations with countries in the Asia-Pacific region; even with its close allies. It is too late now, however. People can only express [words indistinct].

This was the second nuclear test conducted by Beijing this year, as well as the 43d since 1964, when China detonated its first atomic bomb on a trial basis. Naturally, China has kept strictly confidential the adverse consequences that its nuclear tests have had on the environment and human health. According to an assessment by experts from four countries, these adverse consequences are very much evident. It is now very clear that China has not yet abandoned its nuclear weapons program. Judging by statements from its leaders, Beijing will continue nuclear tests. This will have an adverse effect on negotiations regarding the comprehensive nuclear test ban treaty to be signed next year. This international treaty is very important for the future of the human race.

I still believe the international community can play a role by lodging protests over China's continued nuclear tests. Obviously, Beijing still remembers the political situation that arose in the aftermath of its nuclear test in May, and that was highly unfavorable to China. Shortly before that, (?178) countries decided to extend indefinitely the nuclear Non-Proliferation Treaty during an international conference in New York.

Any country that does not take into consideration the views of the majority of the earth's inhabitants, and that does not comply with the people's wish for establishing a nuclear-free century will cause great damage to itself and its foreign policy. In my opinion, China will eventually reach this conclusion: To stop nuclear tests before the treaty to comprehensively and thoroughly ban nuclear tests is signed.

FRG's Ruehe Calls For Redefining NATO-Russian Ties

LD1808163095 Moscow ITAR-TASS in English 1604 GMT 18 Aug 95

[By Gennadiy Temnenkov]

[FBIS Transcribed Text] BONN, August 18 (Itar-Tass) — The German defence minister on Friday called for redefining relations between NATO and Russia and said NATO could not afford to isolate Russia from the European political process because European stability could be achieved only with Russia's participation.

NATO's eastward expansion should be accompanied by "redefining the relations" between the Alliance and Russia, said Volker Ruehe who spoke at the Higher Bundeswehr Academy in Hamburg.

"Russia must involve in the European political process both as a political and economic partner of the European Union, as well as a great power which has got an invitation by the Alliance to establish relations of special strategic partnership," Ruehe continued.

"We cannot afford to isolate Russia. Stable Europe can exist only with Russia and not against it," the defence minister said.

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Although admitting that Russia's further path could hardly be projected for sure, Ruehe singled out several major developments of the recent period.

"Russia has freely elected president, parliament and a new constitution. Freedom of press has become an important common property.... Russia, together with the USA has put up a long-term policy of disarmament. In principle, it has constructively participated in the political process in the Balkans and keeps doing it within the international contact group. And, finally, Russia has decided to cooperate with the West within the Partnership for Peace plan," the defence minister said.

Currently, NATO is working on a framework agreement aiming primarily at "establishing a completely new mechanism of consultations" with Russia. Such mechanism would help Moscow and Brussels coordinate their approaches to international problems, enable Russia to involve in decision-making processes within NATO and provide a basis for joint actions reflecting mutual interests, the official said.

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Political Issues

Yeltsin Interviewed on Anniversary of 1991 Coup

MM1808184895 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Aug 95 pp 1-2

[Interview with President Yeltsin by unnamed KOMSOMOLSKAYA PRAVDA correspondent; place and date not given: "'I Do Not Believe the Russian People Were Made for the Lash!' Boris Yeltsin Answers KOMSOMOLSKAYA PRAVDA's Questions on Eve of Fourth Anniversary of August Coup"]

[FBIS Translated Text] [KOMSOMOLSKAYA PRAVDA] Boris Nikolayevich, four years have passed since those memorable days of August 1991. Today you can sometimes hear it said that we should have supported the plotters back then rather than you — choosing the lesser of two evils. What is your attitude to that kind of comment?

[Yeltsin] Well, I recently heard the following view expressed — a group of Moscow intellectuals fooled the people and as a result they made a fatal mistake and rejected the "saviors of the Fatherland." As if people were some kind of soulless robots or amoebas unable to grasp what is happening around them. The truth about those August days is not to everybody's liking today.

[KOMSOMOLSKAYA PRAVDA] And what is that truth, in your view?

[Yeltsin] That most of the country's citizens grasped what was happening from the very beginning and took a well-considered stand. Naturally, that stand was most vigorously manifest in Moscow.

It was the people's first truly courageous civic act for many years. The people rejected the State Committee for the State of Emergency [SCSE] leaders. But not only because they tried to usurp power like thieves. The people rejected a crude power play, they rejected the farcical restrictions on TV and the press, and they refused to carry out sinister orders and directives.

It is not true that nobody was worried about all this. The attempt to intimidate the country profoundly offended people. The general refusal to obey the regime — primarily in Russia — that was the plotters' downfall. Theoretically they had just two options — either engaging in wide-ranging repression and trying to force people to obey them at the cost of a great deal of bloodshed, or leaving in disgrace. In practice, only the latter option was open to them. I doubt that the KGB, the militia, the Army, or the country's other power structures would have taken such mass action.

Equally, now, with the passage of time, I would not want to downplay the danger posed by the August coup. History shows that these adventures are sometimes successful.

[KOMSOMOLSKAYA PRAVDA] Does that mean that the plotters did actually have a chance?

[Yeltsin] Possibly. Russians realized this. That was why there was such delight and jubilation when the coup collapsed.

Those were decisive days not only for Russian democracy but for the personal worth of millions of people as well. Many, many people said to me on innumerable occasions: "We won't have any self-respect if we don't get rid of this junta." That was the choice. I would reiterate that people were not weighing up what was better or worse, they were upholding their own dignity and their right to be people — free people in a free land. In the face of danger many people — maybe for the first time in their lives — overcame their fear and felt like citizens. That's the most important point.

[KOMSOMOLSKAYA PRAVDA] Nonetheless, if we're talking about choosing the lesser of two evils, don't you think that the SCSE, had it clung on to power, would have been able to hold the Union together as a single country?

[Yeltsin] No, I don't. I am convinced that if that had happened the collapse would have meant bloodshed. Had the junta clung on to power it would have inevitably drawn the country into a war to preserve the Union. We would have had to have fought for the Baltic, for the Transcaucasus, and so forth.

[KOMSOMOLSKAYA PRAVDA] But surely we would have preserved a unified state?

[Yeltsin] The country couldn't have been held together that way. That had become clear much earlier — in Tbilisi, Baku, and Vilnius. Each such attempt produced a wave of popular anger in response — each attempt showed that it was a petty adventure.

I may be repeating myself, but this kind of strong-arm scenario had already been used in Yugoslavia. We can now see the results. What a colossal discharge of deadly energy. How much pain and suffering it has caused and is still causing people. What if this had happened in the former Union? Thank God it didn't. The consequences would have been horrific. The coup plotters wouldn't have preserved the Union, and Russia would have been totally destroyed.

[KOMSOMOLSKAYA PRAVDA] Boris Nikolayevich, back in August 1991 all the country's democratic forces were on your side and saw you as their undisputed leader. But now most of your former soulmates are

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trying to distance themselves from you — many have become opponents and even political enemies. Whose fault is it — yours or theirs? What has it happened?

[Yeltsin] What worries me is not what certain forces, movements, parties, and leaders think of me, but the condition that the democratic wing itself is in. Unfortunately, emotion is the dominant factor in that area rather than reason and political judgment. And how harmful that is! Every day brings more arguments, more dissension, and more recriminations. And this despite the fact that there are often no differences of principle between them. Their positions are close to each other. The way they distance themselves and artificially isolate themselves — that is the problem....

[KOMSOMOLSKAYA PRAVDA] How can that problem be solved, and by whom?

[Yeltsin] It can't be solved from outside or from above. The idea of holding a Democratic Congress this fall is currently being mooted. I support it. I hope that it will help the democratic movement.

[KOMSOMOLSKAYA PRAVDA] Nonetheless, what is the Russian president's relationship with the democrats like?

[Yeltsin] You've touched on an important subject for me. Time is changing the meaning of the word "democrat." Until recently it had been used primarily of radicals, hard-line opponents of the former system, and dedicated rally participants. Now, in my view, it primarily refers to professionals able to create. People who recognize only the constitutional method of coming to office and leaving office. Democrats are the people who are prepared to ensure that the country moves toward a normal life.

August 1991 did indeed bring everyone together. What united people was the sense of danger and the need for fundamental change. A great deal was seen in a romantic light, particularly after the collapse of the coup. But that was when the hardest and most exhausting work began. I'll be blunt — not everyone was able or willing to do it. A lot of outsiders (or as we used to say, fellow-travelers) emerged, thrown up by events. Once again there was a temptation to start a new spiral of endless discussions and to drown everything in words. I had to make some tough decisions. And, of course, I realized this would mean some of my supporters would turn against me. That was inevitable.

But there is another side to the coin. We have to admit that the current authorities have been making a lot of mistakes. They have made mistakes and had their failures. All this has not increased the ranks of my allies, to put it mildly.

Nonetheless, I would emphasize that most of the contradictions between the democratic opposition and the president can be resolved. Ahead of the elections I have started holding a serious of meetings with the leaders of various parties and movements. I have already met with A.N. Yakovlev and Ye.T. Gaydar. There will be other meetings. In particular, we discussed the question of creating a bloc of democratic forces. Although that is a difficult problem.

IZVESTIYA recently published an article by G.A. Yavlinskiy in which he explained why the democrats should not unite. He stated at the same time that parliamentary elections determine policy while the presidential elections determine the political system.

[KOMSOMOLSKAYA PRAVDA] Isn't that the case?

[Yeltsin] Of course not! It's back to front. We need to read the Constitution closely. It states that it is the president who determines the main avenues of social and political development — that is, policy. At the same time, the president is excluded from the procedures of making amendments to the Constitution, from the process of the adoption of constitutional laws, and from anything that determines the shape of the political system. All that is the province of the legislature or of the people directly.

That is why the parliamentary elections are so vitally important. The kind of parliament we elect will determine the kind of country we'll live in.

[KOMSOMOLSKAYA PRAVDA] And what can we expect?

[Yeltsin] I can see three possible roads, the choice of which will be determined by the new parliament and its legislation.

The first is a return to the past. People who are calling for a change to the current political system and are hoping to revive Soviet power, abolish the presidency, turn officials once again into talentless controllers of all property, and restore the former empire, will be fighting for the electorate's votes. That way lies ruin.

The second road also has dangers of its own. Ideas have appeared that we need reform, but without democracy. That is a route to authoritarian state capitalism and a market for the wealthiest.

[KOMSOMOLSKAYA PRAVDA] In other words, like now?

[Yeltsin] Yes and no. Our task is to continue the reforms. Option two would halt the reforms and freeze the current position.

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And the third road is the continuation of the economic reforms and the development of democracy in Russia. I would emphasize yet again — not reform for reform's sake, not endless perestroykas and transformations. The task is to bring them to completion, not stop halfway. This is the only road where it will be realistic to create opportunities for the active while protecting the weak. But all this will not be achieved while the democrats are disunited. This is a time for them to make some crucial decisions. I hope wisdom rather than ambition will prevail. Only then will we have a chance to give democratic development its second wind.

[KOMSOMOLSKAYA PRAVDA] Aren't you worried that the word "democracy" is becoming increasingly negative and even a term of abuse? As president, don't you feel to blame for that? Maybe democracy just isn't able to take root in Russia? Are we cut out for it?

[Yeltsin] Our problem is that Russia still has too little democracy — primarily in people's heads. And that applies not just to ordinary citizens but to those making policy, shaping public opinion, and who are part of the so-called elite.

It's galling to see the metamorphosis in some "democrats" once they come to power — the way they rapidly and organically slip into the traditions and defects of the nomenklatura they used to hate. Or the way certain influential people lose all sense of responsibility for what they say.

Until we have strong rule of law, until we have a developed system of legal protection for human rights (including protection against the arbitrariness of officials), until we have a middle class (the bedrock of stability), and until constitutional values become part of people's self-awareness, we will not be able to talk seriously about democracy.

There is no democracy where the morals of the communal kitchen prevail, where abusing the personal dignity of your opponent is considered courageous, or where democratic values are counterposed to the idea of statehood. Do I feel a personal sense of blame for this? Yes, I do. But there is something else as well.

Not even the most democratic Constitution, not even the most democratic parliament or president will change this situation. We have to change it ourselves. Time will tell whether we will be able to or not. I believe we will. I will never agree that the Russian people were made for dictatorship or for the lash.

Of course, all authorities find democracy inconvenient. It is an outpouring of the will of society itself. That will has been manifest in Russia, as in many other countries — not least in August 1991. And the present authorities have done a lot to create the conditions for the democratic path.

It is now up to society. If people stay patient, don't succumb to speculation, stand tall as citizens when they go to vote, and express in the elections their desire to live in a democratic society, then the authorities will be placed in a position where they have to get rid of those who want to rule not according to the law but by tyranny.

Russia is a very unusual country. There is nowhere quite like it. But it is home to ordinary people who dream the same dreams as all normal people in the West. That is why democracy is not forbidden fruit for us. It means a normal life for normal people.

[KOMSOMOLSKAYA PRAVDA] Let us return to your message to the Federal Assembly. Its theme was "On the effectiveness of state power in Russia." How, in your opinion, is it being fulfilled, and is it actually being fulfilled?

[Yeltsin] It is being fulfilled badly. State power in Russia remains weak and ineffective. I think that citizens sense this from their own experience.

The state is coping badly with many problems. Above all, with problems like crime. The events in Budennovsk occurred and immediately put the whole country in a fever. Problems in the work of the most important structures, especially the power structures, were crystallized.

Of course, this terrorist act was unprecedented. But it is perfectly obvious that the federal authorities and internal affairs organs and special organs were at a loss, and showed their inability to operate in a coordinated fashion.

[KOMSOMOLSKAYA PRAVDA] So what is to be done?

[Yeltsin] A major overhaul of the entire modus operandi of the special forces and law-enforcement organs is necessary. It is this that will now determine how far our society will be guaranteed against criminal encroachment. Recently the Russian MVD [Ministry of Internal Affairs] and the FSB [Federal Security Service] underwent a change of leadership. I hope that the new leaders will be able to organize more effective work by these departments. In a day or so's time I will be meeting with the MVD leadership. It will be a rigorous and exacting conversation.

Another problem which is hanging over people more and more is the fear of losing their job, their source of income for their family. Many people are losing sleep

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over this problem today. For the state this problem is today a top priority.

[KOMSOMOLSKAYA PRAVDA] And what about the effectiveness of the presidential structures themselves?

[Yeltsin] Here, too, not everything is in order. One of the key problems is the preparation of important presidential decisions. So far neither the technology nor the traditions have been developed in this area. There is no personal responsibility for the draft edicts, directives, and so forth prepared and submitted to the president. With rare exceptions, administrative sanctions for badly prepared decisions are not applied. There must also be personal responsibility for the implementation of decisions adopted by the president.

We have analyzed the causes of the malfunctioning of the state machine, and we have an action plan. I myself intend to take a number of steps in the near future. I will not announce the details at the present time, but I will say that the main areas are increasing the efficiency of the apparatus, reducing its size, and fighting corruption. All this will be the object of keen attention.

At the same time, let me speak about another matter. In June we managed to resolve a highly complex collision **in relations between the Duma and the government.**

[KOMSOMOLSKAYA PRAVDA] Do you mean the vote of no-confidence in the government and the Duma's possible dissolution?

[Yeltsin] Yes. I will not say much about this — I think readers are well aware of the situation. The negative, destructive potential which it contained is also well known.

I believe that we all came out of this situation with honor. And above all, thanks to the existing Constitution, to the mechanisms for solving such conflicts for which it provides. Let me say bluntly. **The Constitution saved political stability in Russia.**

The mechanisms of informal collaboration between the branches of power, which have been developed over the past 18 months, also worked.

[KOMSOMOLSKAYA PRAVDA] Then it is impossible not to ask the following question: What will happen to the good intentions of strengthening the state and raising the effectiveness of power? Your edict on the presidential staff was recently published. You probably know what a storm of anxiety and agitation — including for the fate of democracy in Russia itself — it engendered in the press.

[Yeltsin] Nevertheless, let us separate anxiety for the fate of democracy and the edict on the staff into two questions. I too, like many Russians, am anxious for the fate of democracy in Russia. But why is this anxiety always linked with the president? Does no one see other sources for such anxiety?

[KOMSOMOLSKAYA PRAVDA] But after all — you are the head of state.

[Yeltsin] But does not KOMSOMOLSKAYA PRAVDA fear for the outcome of the parliamentary elections, for example?

Let us recall the numerous accusations against the president of encroaching on democracy. We disarm illegal formations in Chechnya — an encroachment on democracy; the veto on the law on elections to the Duma — an antidemocratic plot aimed at aborting the elections; some people defended the president clumsily — the end of freedom of the press. Compare all these suspicions with real life.

These days much is said of the nomenklatura revanche, of the degeneration of Russia's democratic regime into a totalitarian regime. The Russian papers, including yours, are full of such statements; they are made on television and on the radio. You will agree, this alone is not typical of a totalitarian state.

My fundamental position is that power should be open to criticism. The press has many reproaches against the Russian authorities, and against me in particular. I too am not entirely satisfied with the work of the Russian press. But without a free press the work of democratic institutions would be incomplete. I have said this more than once, but I am forced to repeat it because some Russian mass media outlets express doubts on this score.

I will not contest that the press should examine all the authorities' actions under a microscope, under a critical microscope. This is its most important task. But if you overlook the real threats, it will be too late to kick yourself later.

Now for the edict on the staff. Read it carefully and compare it with actual practice, with existing traditions. This edict brings the norms into accordance with life. And in life, in accordance with the constitutional powers, not only the presidential apparatus is subordinate to the president.

They say that in Britain they first sow and grow a grass plot, then people tread tracks through it as it suits them, and only then do they transform these tracks into footpaths. We are doing the same. Our practice of government is only just being formed. Far from everything is defined by laws and edicts. However, traditions are forming, and adaptation to life and its requirements and natural laws is under way. But the actions of departments and functionaries, their powers,

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rights, and duties should be regulated by written norms in order to reduce to a minimum the possibilities of abuse. This is what we are doing. The edict of which you speak is only the tip of the iceberg.

[KOMSOMOLSKAYA PRAVDA] After the appearance of your edict on the staff, speculation reappeared about your plans to restore the KGB in its old form. Is this so?

[Yeltsin] I wish to assure all KOMSOMOLSKAYA PRAVDA's readers that this will not happen. Believe me, I understand how dangerous the monopolism of the power services and the secret services is, and I will not allow this.

Rival Rallies Held in Moscow

LD2008174695 Moscow Radiostantsiya Ekho Moskvy in Russian 1700 GMT 20 Aug 95

[FBIS Translated Text] As I speak, people who came to the defense of the White House exactly four years ago are gathering on Free Russia Square in front of the mayor's building on the New Arbat. Their rally will be rounded off with a demonstration at the spot where three of the defenders of Russian democracy were killed. Another rally devoted to the events of four years ago was held today on Theater Square. It was attended by opposition representatives. There were no more than 1,000 people, militia spokesmen reported.

Yeltsin Appointment of Yegorov Viewed

MK1808152495 Moscow SEGODNYA in Russian 18 Aug 95 p 1

[Report by Yelena Kostochkina: "Nikolay Yegorov Moves Into the Kremlin. He Has Been Appointed Presidential Assistant on Regional and Ethnic Policy"]

[FBIS Translated Text] After Boris Yeltsin yesterday [17 August] appointed Nikolay Yegorov a presidential adviser, there is one fewer unemployed person in the Russian Federation. As is known, until recently the 44-year-old Yegorov has held the positions of deputy premier of the Russian Federation and nationalities and regional policy minister, but was dismissed by the president following the tragedy in Budennovsk. The new presidential adviser told INTERFAX that his main duty would be to participate in working out the principles of regional and ethnic policy in Russia. Mr. Yegorov also said that prior to the appointment he had been received by the president and talked with him for more than an hour.

It is noteworthy that the new aide's sphere of activity will be exactly what he was dismissed for. Furthermore, against the backdrop of the stumbling peace negotiations on Chechnya, Boris Yeltsin chose an adviser who was bound to have taken part in preparing and implementing the decisions to use force, being the president's representative in the Chechen Republic from last November to this February.

Whereas the transfer of Viktor Yerin from interior affairs to foreign intelligence was clearly the employment of an officer loyal to the president, the return of Yegorov to ethnic and regional affairs could appear to be partial rehabilitation of the faction advocating the force option in the Chechnya conflict.

Rogozin Appointed to Stock Market Committee

MM1808120695 Moscow ROSSIYSKIYE VESTI in Russian 18 Aug 95 p 1

[Unattributed report: "New Appointments"]

[FBIS Translated Text] Boris Yeltsin has issued an edict including Georgiy Rogozin, first deputy chief of the Russian Federation president's Security Service, in the "Russian Financial and Stock Market Communications" Foundation Organizing Committee.

Our Note: The foundation's organizing committee was established by B. Yeltsin's 3 July 1995 edict "On Measures To Set Up an All-Russia Telecommunications System and Ensure Owners' Rights In Respect of the Safekeeping of Securities and Accounts in Russian Federation Stock Markets."

Rogozin Included in Financial Organizing Committee

MK1808151695 Moscow SEGODNYA in Russian 18 Aug 95 p 1

[Report by the Financial Information Agency: "Korzhakov's Deputy Included in 'RFSC' Organizing Committee"]

[FBIS Translated Text] It has transpired from informed sources at the Russian Federation Government that Boris Yeltsin has signed the edict "On Adding New Members to the Organizing Committee of the Russian Financial and Stock Communications Fund." Under the document, Georgiy Rogozin, first deputy of the Presidential Security Service chief, is to become a member of the organizing committee.

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Yeltsin Rejects Bill on Continental Shelf

MK1808151295 Moscow SEGODNYA in Russian 18 Aug 95 p 1

[Unattributed report: "Bill 'On Russian Federation Continental Shelf' Rejected"]

[FBIS Translated Text] Russian Federation President Boris Yeltsin has turned down and sent back for review the bill "On the Continental Shelf of the Russian Federation," which was passed by the State Duma on 12 July and is considered to have been approved by the Federation Council. Mr. Yeltsin pointed out in his letter to State Duma Chairman Ivan Rybkin that "although the bill has a number of merits, it also has substantive drawbacks." In particular, the provisions of the bill have to be brought in line with the principles and rules of international law and Russia's international treaties. The president proposed a number of amendments and clarifications to the text of the bill.

Yeltsin Rejects Federal Law on Traffic Safety

LD2108113195 Moscow ITAR-TASS in English 1108 GMT 21 Aug 95

[FBIS Transcribed Text] MOSCOW, August 21 (ITAR-TASS) — Russian President Boris Yeltsin on Monday rejected a federal law on traffic safety which was submitted to him for signing, his press service told Tass.

In a letter to the speaker of the State Duma Ivan Rybkin, Yeltsin said that some of the bill's clauses contradicted the Constitution.

The law also contains inherent contradictions, many of its provisions are of a descriptive, declaratory character, due to which it cannot solve many of the raised problems, the letter said.

Yeltsin paid special attention to the fact that another attempt, this time in the form of law, has been made to limit the rights of owners of cars used for left-hand driving.

He considers it advisable to improve the bill legally and technically and revise some of its provisions, the presidential press service said.

Yeltsin Plans To Increase Funding for Research

BR1808132395 Bristol PHYSICS WORLD ELECTRONIC NEWS in English 17 Aug 95

[Report by Vera Rich: "Dual-Purpose Technologies for Russia" — received via Internet]

[FBIS Transcribed Text] Russian President Boris Yeltsin this week announced a new programme for the use of "dual-purpose" (i.e., military/civilian) technologies to help restructure the ailing Russian economy and solve Russia's escalating unemployment problem. Addressing a meeting of the Council for Scientific and Technical Policy (a body set up on the President's initiative), he noted that more than 70 percent of the technologies used in Russia's defence industry are potentially dual purpose, and could be applied in a "powerful technological breakthrough" towards the mass-production of "high-quality competitive civilian goods".

The new "dual purpose technology" programme will embrace the entire range of technologies of "prime importance" for Russia's economic development. Government funding for research and development will be increased; Yeltsin will have discussions with Prime Minister Viktor Chernomyrdin next week on increasing the research allocation from the federal budget in 1996 from the current 6 trillion roubles to 9.5 trillion — some 5 percent of GDP. (Current exchange rate is about 4500R to the US dollar).

Yeltsin's announcement of the new programme may go some way to halting Russia's ever increasing brain drain of scientists. The latest estimates suggest that up to 90,000 Russian scientists (mainly in their 30s or early 40s) go abroad to work annually — in addition to the constant "internal" drain from science to Russia's new business sector. Although most of those who go abroad are on temporary contracts, the Council of Europe commission for education forecasts the economic drain at around $50-60 billion a year. More than 50 percent of those who leave are physicists, 27 percent are biologists and 12 percent are chemists. Germany is the main destination (60 percent) followed by Israel (25 percent) and the USA (10 percent).

Reporting these gloomy figures this week, Russian public television took some comfort in the fact that "no nuclear physicists knowledgeable in weapons technology" have so far left Russia permanently — in spite of the fact that Iraqi President Saddam Husayn has offered to pay up to $300,000 a year for such expertise.

Yeltsin Edict Raises Pensions of Senior Officials

MK1908080095 Moscow SEGODNYA in Russian 18 Aug 95 p 2

[Report by Aleksandr Medvedev, followed by Dmitriy Volkov commentary: "Russia's President Has Guaranteed Social Protection to State Employees. Special Attention Has Been Given to Senior Officials"]

[FBIS Translated Text] President Boris Yeltsin, according to ITAR-TASS, has signed an edict "On Certain Social Guarantees to Persons Holding Russian Federation State Posts and Posts as Federal State Employees."

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From now on, "state employees shall enjoy the right to a monthly extra payment in addition to the state pension."

If the powers of a state employee are terminated, if he is fired on the grounds of "elimination or reorganization of the federal executive power organs," if he had the misfortune to be dismissed from employment with the said organs as redundant, or, finally, if he simply feels like retiring, there arises the possibility for him to be paid 55 percent of his wages every month, proceeding from the wages he had been paid when his "federal state service was terminated." In order to be entitled to the coveted extra payment, men need to have 12.5 years of work experience, and women — 10 years. The extra payment is supposed to increase by 3 percent of one's salary "for each complete year of service beyond the length of service stipulated by the edict," but no one will be likely to earn more than 80 percent of "a monthly allowance." The length of service is determined under the law "On Principles of Russian Federation State Service," and the size of the state pension under the laws "On State Pensions in the RSFSR" [Russian Soviet Federative Socialist Republic] and "On Employment of the Population in the Russian Federation." Moreover, "a centralized increase in the monthly allowance assigned to a position" or an increase in the state pension can lead to a recalculation of the size of the extra monthly payment.

To receive extra payment, it is necessary to produce an application and "a resolution of the corresponding federal organ of state power or a resolution of the head of the federal executive power organ" where the aspirant to the extra payment, prior to his dismissal, "had held a state post." An official, entitled to both a pension and an extra payment, together with his family, "retains the right to the same medical service, as well as the same spa-and-resort treatments, he used to enjoy at the time he retired and received a state pension." The money must be paid to the pensioners by the Ministry of Social Security "under the procedure stipulated by the government."

The edict, however, makes an exception for top state officials, including the president and his apparatus of presidential aides and the head of administration, the head of government and deputy premiers, as well as the heads of the [parliamentary] chambers, their deputies, and all staff of Duma and Senate committees, plus the heads of chambers' apparatus. The Central Bank head, the Central Electoral Commission staff, all top-level judges, the Counting Chamber staff, and the Prosecutor General are also on the list. The same refers to heads of Federation components' highest executive organs. Regional legislative assemblies have not been granted the privileges. The said categories "shall enjoy the right to an extra monthly payment in addition to the state pension irrespective of the length of their work period." At the same time, the total of their pension and extra payment must equal 80 percent of their salary.

Federation components and organs of local self-government are charged with securing the appropriate social guarantees. They must do that at the expense of their own financial resources, taking into account the provisions of the edict.

* * *

The president's edict is in line with the plans of the government to raise allowances for state employees. Virtually all federal organs have suffered from the outflow of professionals, who are being replaced by people not restricting themselves by the limits of the occupation of state employees. Furthermore, the incentives are necessary for those sacrificing their business careers for the sake of the state's interests, so that corruption among officials can be curbed somehow. On the other hand, special attention has been called to a rather precise definition of exactly which top officials and bureaucrats must feel their dependence on the current regime, since the edict by the incumbent president could possibly be abolished by his successor.

Directive on Funding Telecommunications Edict

MM2108110395 Moscow ROSSIYSKAYA GAZETA in Russian 18 Aug 95 p 6

[Russian Federation Government Directive No. 1102 signed by Russian Federation Government Chairman V. Chernomyrdin in Moscow on 7 August; from the "Documents" section]

[FBIS Translated Text] With a view to ensuring the implementation of Edict of the Russian Federation President No. 662, 3 July 1995, "On Measures To Form an All-Russia Telecommunications System and To Ensure the Rights of Property Owners Regarding the Safekeeping of Securities and Transactions on the Stock Market of the Russian Federation," the Russian Federation Government Federal Commission on Securities and the Stock Market is instructed, pending the formation and registration of the "Russian Financial and Stocks Communications" Fund, to open a separate account for the accumulation of monetary payments designed for the creation of Russia's financial and stocks communications and to maintain a separate balance for property and funds intended as founding contributions.

Funds from the said account are to be disbursed exclusively by decision of the fund's organizing committee.

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[Signed] Russian Federation Government Chairman V. Chernomyrdin

'Versions' Program Interviews Chernomyrdin

LD1908163895 Moscow Russian Public Television First Channel Network in Russian 1915 GMT 18 Aug 95

["Exclusive" interview with Prime Minister Viktor Chernomyrdin by program host Sergey Dorenko at the State Duma on 18 August, following Chernomyrdin's address to the State Duma; from the "Versions" program — recorded]

[FBIS Translated Text] [Dorenko] Your report has given the impression that the government has money. Where has this money comes from and what is the source of this stability?

[Chernomyrdin] First of all, I should say, just as we estimated and as I was saying here before, if you remember, the budget is very tight and very harsh. But we hope that the revenue part will begin to bring results, that is, the economy is beginning to climb out of this grave situation. Of course, money will come if we are to keep within the parameters that we set ourselves. Of course, it will probably be too early to say everything is in place today, but certain things are already there. Did you ever see the budget being implemented by 95, to be precise, 94.6 percent as it is today? This means everything is already in motion.

[Dorenko] There are certain things you could not foresee — the drought, for example.

[Chernomyrdin] Of course. You can imagine the state of the economy as it is, and on top of this we have nature helping us, so to speak. Today we have 25 percent of the [agricultural] land under drought. The situation varies from place to place, but 25 percent is a serious matter. Now we are working on it — a commission is assessing the situation to establish what is to be done and what help is needed. Of course, we have already set aside funds that will be channeled there.

[Dorenko] Importing?

[Chernomyrdin] No, we are not talking about importing as yet. First of all, we have to solve the problems of fodder supplies. We have to bring forward payments — everything that is in the budget, I am talking only in terms of the budget. We have to pay about 6 out of 8 trillion [currency not specified] before 1 October in order to support the peasants right now. We are not just suffering this year — we have to think about next year and lay foundations. Of course, the peasants are facing difficult times. We have planned a whole complex of measures, and I have already signed the proposals to this effect. We will be doing everything to ease the situation in this area. Of course, it is very annoying that nature is helping us in this adverse way, but what can we do.

[Dorenko] The usual things that are known to cause a surge in inflation are supplying the north and paying for the harvest.

[Chernomyrdin] Yes, they are. I did not mention this in my report but you see, nobody has even taken account of this aspect. Or, for example, we also have a high number of emergency situations. Our resources are drawn to one place after another. A drought here, an earthquake there, then another earthquake. A spell of torrential rains that swept across Tatarstan and Bashkiria. We also have to compensate for that. Everything was virtually swept away there. Our country is vast. Of course, all these situations require money. Nobody asks for anything else today.

[Dorenko] But where is the money to come from?

[Chernomyrdin] Well, we should be working harder. We should fulfill our own [obligations]. First of all, taxes should be paid. If people do their work and fulfill their programs we will have money and resources. If taxes are coming in, the budget will be supported. Maybe, it is too early yet to say this, but we are supporting the social sphere — carrying out indexation. All this money comes from there. Of course, we should economize, this is a sacred question. I keep on saying: We should learn to live according to our means. We simply cannot have everything.

[Dorenko] You are talking about the government expenditure. There is also expenditure of the enterprises that have to pay its workers' wages and so on. But the situation today is such that the workers can also say to themselves: We also are the electorate. If our director is not working properly we can deal with this sometime later, but Chernomyrdin needs us to vote for Russia Is Our Home so let us pressure him, let us demand from the government as well as from our director. Will we then need planeloads of cash — as was sent to Tolyatti, or something else? Can there be any extra pressure put on you directly, in the autumn?

[Chernomyrdin] Well, maybe it is possible to pressure Chernomyrdin, and there are certain sensitive points on which pressure can be applied. But I do not think so. I am confident about myself and it will be no use pressuring me. Where possible, I will do what is needed. I can take a hint and there is no need to alter the tone with me. I do not have to be persuaded if there is a genuine need in some area, some region. I will do it because this is my duty. I do not see anything special

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here. It is not in my nature to play up to or try to please anybody in a country like this.

But I should like to say this once again — it all depends on many things. Just now I quoted a figure of almost 6.5 trillion [currency not specified] we owe in wage arrears to date in the industrial sector alone. These are industrial enterprises, the construction industry. The areas where they should be dealing with these problems themselves. This is happening because of delayed payments, poor discipline, and because some directors are not bothered about not making these payments on time. I can also say something else — that there are enterprises today that have money in their accounts and are still not paying wages. Boris Nikolayevich, the president, gave us some examples when speaking to the government recently. This will not do. How is one to take such directors? We should be talking about this. Some of them will see one day that all is revealed and I do not think their working collectives will take this calmly. Nothing of the sort.

[Dorenko] Now the army and the talks in Chechnya. My colleague Aleksandr Nevzorov today said the talks betray the blood of the men who shed it for the territorial integrity of Russia. In general, what is the army's mood? They were fighting on and on, then the peace comes and, let us say, Dudayev comes to power. A man says to himself: I have lost a friend, and what it was all for?

[Chernomyrdin] First, Dudayev will not come to power. This is out of the question, just out of the question. Second, it is a thankless task to play on such sensitive strings, so to speak. Third, I should say something about preserving the statehood of the country, of Russia. Whose achievement is this? Not the army's and those boys who are there today and all those who have fallen? Is this not a real result? No one is betraying anybody and no one will. What we are saying today is no more bloodshed. No, I cannot and will not agree with this. A lot is being done today, colossal efforts are being made, first of all, to stop the bloodshed. But I should say this again — we have not and will not make any concessions.

[Dorenko] A compromise, negotiations always mean compromise. But are there any points in the compromise that means no, because it is no. Is there a line you will never cross?

[Chernomyrdin] I will say this. We will make no concessions on the matter of statehood, of Russia's integrity. Never. I do not even discuss this question. There are questions on which some common ground can be found. We have to think about elections, maybe discuss some quotes, the setting up of a coalition government or an administration. We should think about local and republican elections. There is a whole mechanism that needs to be worked out. There are many people in Chechnya who have simply been fooled, excuse my expression. I should say it once again — Chechnya is Russia. As chairman of the government and a leader I have no right here to make any divisions. Chechnya is Russia. We have to put our home Russia in order and we will be doing this. This is one of the elements.

To say things about someone betraying somebody somewhere, to play up such emotions today — no, no, and no. We will be bowing our heads to these people, to our boys many times in the future. And these boys understand what they have done and what they are doing much better than some people sitting in this building. When I hear what they are saying my heart bleeds. When he is talking about Russia as a country and when he is talking about his parents, his family, his sister. This is not such a simple matter and should not be used to stir up emotions. No, no, and no.

[Dorenko] An investigation should be made into who was selling these weapons and who did all this, in order to calm these people down.

[Chernomyrdin] This will be done.

[Dorenko] But so far they [Procuracy General] are busying themselves with the "Marionettes."

[Chernomyrdin] What can I say? If only they apply themselves in the same way to other things. I must say that they have not only this matter, they have other problems apart from the "Marionettes." Generally, I have to say that there will still be investigations and we should find out about weapons — these weapons still turn up in places.

[Dorenko] There are reports that the Chechen delegation is making phone calls to Moscow to find out how are they to conduct the talks with Moscow.

[Chernomyrdin] Oh, you see, even you know this. Imagine, some people say one thing and another, behind their back, concoct something completely different. I can say today — I have the right and all the grounds — to say that there are some people even in Moscow who do not want us to unravel these knots too soon. Some want to continue. They are not thinking about the bloodshed. They are not the ones who are doing the talking. But they are good at risking other people's lives and doing things with other people's hands. No, we will not allow this. We will make our efforts and never make any concessions about which I said earlier. We will do our job. I can confirm this again: We have a duty to do everything in order to stop further bloodshed, and we will do this.

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Chernomyrdin Interviewed on Life, Work

LD1908181795

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 1805 GMT on 18 August carried a 30-minute program entitled "I Would Like People To Understand Me," which included an interview with Russian Prime Minister Viktor Chernomyrdin, which was recorded in July at a country residence, and covers background details of his family, career, and the creation of the Our Home is Russia movement, and recapitulating the events in Buryatiya and the work of the government in the past two years over archive footage.

Asked by correspondent Tatyana Khudobina why some call the Russia Is Our Home movement the "party in power," Viktor Chernomyrdin, says: "You see there is no such party. The point is that there should be such a party as there is in any normal civilized state where there is a party and there is a party government. That is it. They go hand in hand. If it does not work out for them then they both resign. Then another party wins and it gains power. I by no means think that one can work with the State Duma in a way whereby, say, Chernomyrdin only has to say something and the Duma agrees to it. God forbid. Who wants a Duma like that? Working with the Duma has been difficult. But ways of finding a solution have been undertaken. Documents and laws are being hammered out through debates. There were many debates on the budget, but this is normal life.

"Do you really think that I am happy with the situation? Do you think that I am so happy about everything and about what we are doing at present? Nothing of the sort. I will say forthrightly what we want. I think that if the movement becomes a party — and I think that is what should happen — I think that this is what is needed, the government should be urged and forced to speed up processes, produce results quicker, create revenue, and make it possible to pay wages. At present this cannot be done. It is difficult to do so — the moment you say something you immediately get a kick in the teeth, forgive me for saying so. What kind of work is this then? All of this is necessary so that we achieve this."

Asked what he thinks of the period in which he has to work Chernomyrdin says: "We do not live in the best of times. Moreover, the processes we are going through cannot unfortunately, be felt or experienced by the hand. I probably now understand better than ever before the responsibility that I and the government carry, to say nothing of the president. Everything, this whole pyramid of events, including all of the main decision-making, falls on the president. I, more than anyone else in the state, can see just how difficult and hard it is on the president at present. It is hard to work at such a time. But I have to say that we in the government, the executive, are tackling the processes occurring in the country. Changing course now when everything is at the crossroads could lead to a tragedy.

"I have to tell you that nowadays there is no one who can do everything and know everything. All of us are at present going through a big learning process. We are all learning. Now, when it is becoming obvious that we are reaching certain stages in our existence and we are beginning to bring the country through, changing everything means abruptly throwing everything into reverse."

Speaking on the work of his government, the Russian prime minister says: "Unfortunately, not very much can be put down as successes. The only thing that can be noted today is that there is a government in Russia, a government that is functioning in spite of the way we are criticized, degraded, and accused. But all is rhetoric. The government knows what it is doing. What is needed now is time, character, and a desire to accomplish things. I would like to say straight away that without character nothing will happen. There are a multitude of people who are trying to pull one aside, cause confusion, and lead one onto a different route. What is needed today is a particular course and pursuance of that course. That is what I should like at present to spell out loud and clear.

"As for what we have not succeeded in getting right and what worries us most of all, it is the revenue issue. Look here, the profits of our population continued to drop until and including March itself, and that was a very grave matter. Then, beginning with April, May, and June we have been gradually growing.

"Second, there is the problems of low wages, especially for budget-funded organizations. Then there are the problems of pensioners, war veterans, and war invalids. This is the largest worry of all today. A breakthrough is needed here but there are no possibilities for this as yet."

In conclusion the Russian prime minister says: "I must say that we know what should be done now. We must create normal conditions for life. There has been enough talk of reforms. What one should be talking about is a normal economic situation in the country. We should create normal market mechanisms. There is no other path to take." "I know that all the brickbats will be aimed at me, but I know and am convinced that one should let the people analyze and discuss matters and draw their own conclusions. But I am certain about one thing: There is no going backward." "I would like to reiterate here that we may not be trusted and may be criticized, but I do not think that everyone will be engaged in just

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criticism. In the end it is our sensible Russian people who will make out who is who."

Daily Views New Rules for Kremlin Employees

MK1708132895 Moscow MOSKOVSKIYE NOVOSTI in Russian
No. 54, 13-20 Aug 95 (Signed to press 15 Aug 95) p 1

[Commentary by Security Problems Desk: "Do You Have Relations Abroad? New Hiring Instructions in the President's Apparat Have Been Issued"]

[FBIS Translated Text] Civil rights and the interests of the special services have clashed on the territory of the Kremlin. The likely victims are members of the presidential administration.

If you have relations abroad, if you are against being wiretapped or if, say, you are thinking of a holiday abroad in the coming five years, there is no place for you in the Kremlin apparat. This sad conclusion can be made by everyone employed in the administration of affairs or the staff of the president on reading the "standard contract on clearance for access to state secrets" being circulated in the Kremlin as a mandatory supplement to the labor contract.

In a figure of speech, the Kremlin walls are growing higher and higher. The regime is making itself happy by gaining boundless rights for its own protection, and by abolishing taxes and duties for its own logistics services. The seamy side of such decisions should of course be the screening of all information on the authorities' life and the shutting of all gates to unsanctioned facts and views. It is very convenient to carry out this work under the banner of protecting state secrets.

Obedient logistics and personnel chiefs, advisers and financiers are not asked too much — to agree for, albeit a temporary, abridgement of rights, such as, for example, the right to privacy. Since the entire Kremlin life is a closely guarded state secret, you may be refused employment, for example, in the event that your close relations live abroad. It would be interesting to know if there are many people in the Kremlin or on Staraya Ploshchad without an aunt in Belarus, a brother-in-law in Kazakhstan or, if worst comes to worst, a nephew in Ukraine, to say nothing about more distant countries.

It is gratifying that the "standard contract" not only threatens gossips with criminal liability but also promises generous incentives to those who know how to hold their tongue. The latter are promised "a percentage of salary depending on the degree of secrecy of information" and even the "priority right... to stay on the staff."

The only democratic thing about it is that an employee is supposed to agree, by signing, to "subject myself to checks by authorized bodies."

If they are so unceremonious with the Kremlin people, should we be surprised that the farther someone is from the Kremlin wall, the less ceremonies are there.

Government, Agrarians Sign Cooperation Agreement

LD2108115895 Moscow INTERFAX in English 1101 GMT 21 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 21 (INTERFAX) — Russia's government and the Agrarian Union signed an agreement on cooperation aimed at overcoming the crisis in the country's agro-industrial complex, creating conditions for its stable functioning and saturating the domestic market with food products.

The agreement was signed in early August on behalf of the Cabinet of Ministers by Deputy Prime Minister Aleksandr Zaveryukha and on behalf of the country's biggest association of agricultural producers by its chairman Vasiliy Starodubtsev.

As Starodubtsev told INTERFAX Monday, back on May 24 Prime Minister Viktor Chernomyrdin issued a government resolution on interaction with the agro-industrial complex. "The agreement was signed to develop it," he said. According to Starodubtsev, the agreement defines "a mechanism for such interaction."

Under the agreement the government undertakes to ensure the implementation of federal laws and resolutions concerning the agro-industrial complex, as well as secure credits for its seasonal expenditures, advance payments for the farm produce purchased for the needs of the state, and protectionist policy toward Russian agricultural producers.

The document guarantees farmers "full freedom to choose the forms of economic management," and provides for allocating 1.3 trillion rubles this year to lease equipment and obtain pedigree cattle.

For its part, the agro-industrial complex undertakes to ensure, together with the Agriculture and Food Ministry, supplies of farm produce for governmental needs, and join the efforts to carry out the land reform and "form the government's agrarian policy."

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Agrarians' Election Campaign To Have Local Focus

MM1808115895 Moscow SELSKAYA ZHIZN in Russian 17 Aug 95 p 3

[Report by Yuriy Dyukarev: "Extraordinary APR Congress To Be Held in September"]

[FBIS Translated Text] Speaking 14 August in Barnaul at a meeting with the Altay Kray agrarian aktiv and leaders of regional Agrarian Party of Russia [APR] organizations in the West Siberia region, APR Chairman Mikhail Lapshin stated that the Fourth Extraordinary Congress of the party, called for early September, will examine the agreed candidates for the APR electoral association's federal list and for single-seat districts that have been nominated as a result of active discussion in the regions.

Those nominated in the regions for discussion at the congress include candidates representing the APR, the Agrarian Union, farmers' associations, agricultural organs, the Agro-Industrial Complex Workers Trade Union, other sector trade unions, consumer cooperatives, and other organizations that are part of the APR electoral association.

The association's electoral strategy, according to the APR leader, will be based on work in cities and villages in direct dialogue with voters at their places of residence.

Answering a question about the size of the party, M. Lapshin noted that the APR has passed the 300,000 mark and is still the most dynamically developing all-Russia political party.

Associations Continue To Join Rybkin Bloc

MM1808120495 Moscow ROSSIYSKIYE VESTI in Russian 18 Aug 95 p 2

[Report by Viktor Vladimirov: "Reputation, Not Arithmetic Important to Left of Center"]

[FBIS Translated Text] Unlike "Russia Is Our Home," which has firmly occupied the right-of-center niche in the electoral campaign, Ivan Rybkin's left-of-center bloc is still at the formation stage. A conference of the "Russia's Regions" Public Association has already confirmed its decision to join the bloc, authorizing Ivan Petrovich Rybkin himself to represent the association's interests within the bloc. A conference of another "core" organization in the future bloc — the "My Fatherland" Association, whose leaders include General Boris Gromov and the formerly well-known Komsomol [Lenin Communist Youth League] and trade union figure Viktor Mishin — will be held 18 August. If this association also confirms its decision to join the "Rybkin bloc" (and nobody doubts that it will), then the formation of the left-of-center bloc's election platform (particularly its economic concept) will be aided by the "My Fatherland" think tank — Stanislav Shatalin's "Reform" International Foundation.

Despite the fact that the left-of-center bloc's conference still lies ahead, the "big three" on the federal list of candidates has already been announced — Ivan Rybkin, Boris Gromov, and writer Viktor Astafyev. These three are able to attract voters, who are accustomed to taking their cue not so much from ideas as from names. As for the second half of the list, it will undoubtedly be drawn up in a fierce competitive struggle, although — as you would expect of centrists — the bloc's leaders do not intend to publicize their internal disputes. Viktor Mishin told our correspondent that "there is a general desire by all bloc partners not to be guided by an arithmetical approach, whereby the number of seats is divided up equally" between the associations making up the bloc. "The main point for us," the leader of "My Fatherland" stressed, "is to ensure that the list includes individuals of nationwide stature who have an unblemished reputation and are trusted by the voters."

Industrial Party Not To Link With Rybkin Bloc

LD1808200595 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — At the end of its conference in Moscow on Friday, Russia's United Industrial Party, led by Vladimir Shcherbakov and Arkadiy Volskiy, has decided not to join forces with the left-center bloc, formed by State Duma Speaker Ivan Rybkin, and to run in parliamentary elections on its own.

This decision was favored by most of the 23 speakers at the conference, attended by 107 delegates from 80 regional party branches.

An INTERFAX reporter has learned from delegates, aversion to Rybkin's alliance is shared by many members of the Realists Union, led by Yuriy Petrov. Meanwhile, most regional branches of the National Trade Unions Federation, led by Mikhail Shmakov, are also unwilling to align with the left-center bloc.

Trade Union Bloc Holds Second Conference

MM2108084695 Moscow TRUD in Russian 19 Aug 95 p 1

[Report by Fedor Yemchenko: "Trade Unions To Enter Elections Without Rybkin"]

[FBIS Translated Text] The second conference of the "Russian Trade Unions For the Elections" sociopoliti-

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cal movement was held yesterday. Delegates from regional branches voiced their disagreement with the trade unions' previously announced membership of the bloc headed by the current Duma speaker. The decision was made to participate in the elections independently.

There were also plenty of differences on the question of whether or not to submit a federal list of candidates. Behind-the-scenes conversations confirmed that the preliminary federal list, which mainly names trade union bosses, could play a negative role in the elections.

Certain people believe that the trade unions can only pass the 5-percent barrier by forming a bloc with intellectually similar parties. Certain speakers stressed that the campaign work has not yet gone outside trade union offices.

The movement ratified its slogan — "Freedom, Justice, Solidarity, Russia (USSR)" — clearly believing that this accords with working people's aspirations.

Alliance With Rybkin Bloc Rejected

LD2008165595 Moscow Radio Rossii Network in Russian 1600 GMT 20 Aug 95

[FBIS Translated Text] The all-Russian Trade Unions of Russia for the Elections [Profsoyuzy Rossiia na Vybory] public movement will not join Ivan Rybkin's left-of-center bloc for the State Duma elections. Instead, it will stand independently. In conversation with an RIA-Novosti correspondent, Andrey Isayev [name as heard], the movement's secretary, said that neither Ivan Rybkin's views nor his program of action were clear. The Trade Unions of Russia for the Elections movement is unhappy with Ivan Rybkin's loyal relationship to the government and president. Isayev said that the Federation of Independent Trade Unions of Russia, which brings together 48 [percent] of the country's workers, is the basis of his movement.

Ryzhkov Elected Leader of 'Power to People' Bloc

LD1908172395 Moscow ITAR-TASS in English 1632 GMT 19 Aug 95

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] Moscow, August 19 (ITAR-TASS) — Members of the election bloc "Power to People" approved on Saturday a draft programme and a list of candidates, and elected former Soviet prime minister Nikolay Ryzhkov as their leader.

The final list of candidates and the bloc's programme will be adopted on August 28.

The bloc — established by the Russian People's Union of Sergey Baburin and mothers' movement "For Social Justice" — includes the Union of Officers of Stanislav Terekhov, the movement "Soyuz," the movement "Otechestvo" of the Krasnodar region and other organisations.

The bloc's federal list of candidates to be led by Ryzhkov himself will include Baburin, Terekhov, Yelena Shuvalova, Valeriy Ganichev, chairman of the Union of Russia's Writers and co-chairman of the movement "Slavyanskiy Sobor," chess player Anatoliy Karpov and Oleg Shenin, chairman of the Union of Communist Parties — CPSU.

For one-seat constituencies the bloc intends to nominate writer Vasiliy Belov, economist Tatyana Karyagina, investigator Boris Uvarov of the Public Prosecutor's Office and others.

The bloc's election programme says "Power to People" "stands for the revival of integral Russia through the restoration of the economy and traditional spiritual values, and the reunification of nations and peoples which formed the USSR."

The bloc calls for establishing such a society "which would combine Soviet-period social guarantees with an effective market oriented multistructure economy acceptable to Russia."

The programme points out that "patriotism and enlightened nationalism" are the basis of national accord, while state regulation should be reached through a "plan-forecast defining the optimum proportions of the national economy for the years to come."

'Independent' Candidates To Form Electoral Bloc

MK1808072695 Moscow SEGODNYA in Russian 17 Aug 95 p 2

[Report by Gleb Cherkasov: "'Independent' Single-Seat Candidates Will Have an Electoral Bloc of Their Own. There Will Be No General Federal List at All"]

[FBIS Translated Text] The inventory of election campaign methods used in Russia was expanded yesterday by yet another approach: A group of single-seat deputies and politicians, who have no Duma deputy mandates, announced that an electoral bloc of independent deputies will be created. The bloc is expected to incorporate about 20 public organizations. Only those candidates who are nominated in single-seat constituencies can enter the electoral slate of this bloc. In principle, the bloc is ready to support all "independent" candidates in majority voting districts. A novel feature is also the fact that there is no central (federation-wide) list: Candidates from the bloc will be distributed among regional slates, with the arrangement of positions to be determined entirely by the candidates themselves.

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Deputy Yevgeniy Fedorov, one of the bloc's initiators, believes that "independent" candidates in single-seat constituencies, "who, in total, have much greater resources (regional publicity, funds, support team) than any party electoral bloc," lack the organizational capabilities of the latter. Mr. Fedorov thinks that the "antiparty sentiments" of the majority of voters raise the chances of "independent" candidates. In his turn, Ilya Roytman, cochairman of the United Democratic Center, conjectured that the "bloc of independent candidates" has a good chance to overcome the 5-percent barrier: Voters electing candidates in single-seat constituencies will also, most probably, give their votes to a list bearing the same names. Mr. Roytman thinks that many administration leaders will support "independent" candidates.

FITUR, Regional Groups in Conflict Over Elections

MM2108113095 Moscow ROSSIYSKIYE VESTI in Russian 19 Aug 95 p 5

[Article by Yekaterina Nezabitovskaya: "Where Do You Stand, Defenders of the People?"]

[FBIS Translated Text] It seems as though at the coming parliamentary elections the "defenders of the working people" plan to launch a wide-ranging electoral campaign. This applies particularly to the so-called official trade unions making up the country's largest trade union associations — the Federation of Independent Trade Unions of Russia [FITUR]. Paralyzed by the events of October 1993, this federation was unable to approach the last elections properly. But now, ready to make up for lost time, the FITUR has been impressing with its election activity. Over the past three months it has managed to create its own movement — "Russian Trade Unions for the Elections." At the same time, the Federation's leaders have decided to sign an agreement with virtually all the "centrist" associations.

The FITUR's financial affairs have long left much to be desired — the regional branches of the trade unions comprising it have virtually stopped remitting money to the center — consequently, the wages of the apparatus staff over the past few months have had to be paid out of money received for leasing the Federation's premises in Moscow. As a result of all these difficulties the trade unions have had to abandon their previous idea of taking an independent role in the elections and have switched the main emphasis in their electoral activity to the left-of-center Rybkin bloc.

In this agreement it is the interests of the regional trade union branches that have suffered most. Since during the electoral campaign it is they who traditionally bear the brunt of the work, but they get neither deputies' seats nor money in return.

At the last session of the Federation Council FITUR Chairman Mikhail Shmakov tried to get out of this difficult position by promising his comrades-in-arms that the trade unions would not join the left-of-center bloc but, on the contrary, the speaker would join the FITUR with his allies.

Meanwhile, regional FITUR branches will themselves be preparing very actively for the elections — and their plans often differ considerably from those of the leadership. Thus, one of the Federation's biggest branches — Moscow — signed an agreement the other day with the capital's Confederation of Industrialists and Entrepreneurs, which is part of Yuriy Skokov's Federation of Commodity Producers. They agreed to support candidate deputies for the State Duma and the Moscow City Duma. And we should note that the FITUR leadership had made a long-standing decision not to form a bloc with Skokov's "commodity producers" owing to their membership of the "Congress of Russian Communities" nationalist organization. Agro-industrial complex unions, which make up 30 percent of total FITUR membership, stated at the very outset of the election marathon that their election plans in no way coincided with the plans of the FITUR — they were all part of the Agrarian Party of Russia bloc.

If the left-of-center bloc fails to break the 5 percent barrier, there cold be a crisis in FITUR which could potentially split the organization.

Ingushetia Establishes Communist Party

LD1908175295 Moscow ITAR-TASS in English 1450 GMT 19 Aug 95

[By Ruslan Maysigov]

[FBIS Transcribed Text] NAZRAN, August 19 (ITAR-TASS) — Ingushetia's communists set up on Saturday their own Communist Party which will be part of the Russian Communist Party.

At their founding congress which was attended by 185 delegates they elected Magomed Tumgayev, 35, former city Komsomol leader, as Chairman of the republican Committee of the Ingush Communist Party.

Vitaly Sevastyanov, head of the State Duma Credentials Committee, who attended the congress, said the Russian Communist Party should conduct an election campaign in order to win as many seats in the State Duma as possible.

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Edict Ensures Backup for Data Collection System

LD1808195095 Moscow ITAR-TASS World Service in Russian 1327 GMT 18 Aug 95

[FBIS Translated Text] Moscow, 18 Aug (ITAR-TASS) — Russian President Boris Yeltsin has issued an edict on "Ensuring the work of the "Vybory" [elections] State Automated System [Gosudarstvennaya avtomatizirovannaya sistema] of the Russian Federation." This is reported in a release by the Russian president's press service received by ITAR-TASS today.

The document is designed to deal comprehensively with matters linked to the work of the "Vybory" system and envisages the creation of a Federal Information Technology Center [Federalnyy tsentr informatizatsii] under the Central Electoral Commission to provide the "Vybory" system with organizational, information and methodological back-up.

The edict ratifies the situation of the Federal Information Technology Center under the Central Electoral Commission. Its chief tasks will be, among others:

— to work with the federal information systems of the president's administration, the Federal Assembly, and the Russian Government, and the information centers of electoral commissions at all levels;
— to create voter registration data banks;
— to ensure the uninterrupted functioning of the "Vybory" system during electoral campaigns and between elections.

Electoral Commission Endorses Election Procedures

LD1808200195 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — Russia's Electoral Commission endorsed a procedure Friday of enlisting support for candidates, nominated to the State Duma, parliament's lower house, from one-mandate districts, and for candidates entered in general federal lists by parties, associations, and blocs.

According to the statute the collection of 1% (about 5,000) signatures in support of a candidate, nominated by a one-mandate constituency, starts once the electoral boundaries law and the full list of one-mandate districts have been published. The law and the list will be carried in Rossiyskaya Gazeta on August 22 and 23 respectively.

The collection of signatures (no less than 200,000 in 15 federation territories) in support of candidates, entered in general federal lists by parties and blocs, starts once they have received copies of these documents, formally certified by the Central Electoral Commission.

In army units, signatures are raised on agreement with the command, which has no right to obstruct this process.

The signature-raising campaign ends on October 22, 55 days before the election date, and then, the authenticity of signature lists is checked within 10 days. If the lists are legislatively proper, electoral associations and blocs as well as separate candidates are cleared for election campaigning, which must stop as of 00:00 local time on the eve of the election date. No public opinion poll results can be published as of December 14.

Elections are due on December 17.

Military Issues

Deynekin Interviewed on Air Force Problems

MM2108092595 Moscow TRUD in Russian 19 Aug 95 p 1

[Interview with Air Force Commander in Chief P. Deynekin by Yuriy Dmitriyev; place and date not given: "Pilots Always Equal to Task. Two Questions to Colonel General of Aviation P. Deynekin, Air Force Commander in Chief"]

[FBIS Translated Text] [Dmitriyev] Petr Stepanovich, you have risen through the Air Force ranks from commander of a flight and of a guards bomber division where some of the first Tu-160's (NATO codename "Blackjack") were in service, to commander in chief of the Air Force. What stage in your activity has been the most difficult?

[Deynekin] Undoubtedly the period since May 1992, when the organizational development of the new Russian Air Force began. It went hand in hand with Army cuts and the mass transfers of our units from the near and far abroad back to this country. We lost a lot of airbases. We had to receive whole air divisions and regiments and station them directly on top of existing aviation garrisons. There were some serious losses as well. Ukraine, for instance, did not hand over the strategic division commanded by my subordinate General Bashkirov, who took the oath of allegiance to that republic. Only a few crews managed to make it to Russia at their own risk. There were problems with accommodations and technical provision — including fuel for flights. In short, my head was spinning. But we survived. We showed everyone that the Air Force has been and continues to be the intellectual core of the Army. As for accommodations, we have already built around 15 excellent camps providing some marvelous housing with the help of foreign construction workers.

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The development of science and technology led to the creation in the eighties of a new (fourth) generation of jet-powered combat aircraft that were equal to and, in many respects, better than their Western counterparts — the MiG-29 and Su-27 fighters, Tu-160 strategic bombers, Tu-22M3 long-range bombers, Su-25 ground-attack aircraft, and the An-124 "Ruslan" transport.

[Dmitriyev] A number of very serious Air Force problems emerged following the collapse of the USSR. How are they being resolved?

[Deynekin] First and foremost, there was the task of creating Air Force groupings on the territory of the former internal but now border military districts of Moscow and the North Caucasus, where the Air Force was represented only by colleges and flight training centers. The need to withdraw troops from the near and far abroad to Russian territory greatly exacerbated social problems — primarily the provision of accommodations. The problem arose of sharply cutting the Air Force within a short period of time while building up infrastructure on Russian Federation territory and equipping it for aviation. All this was taken into account when we were drawing up the concept for the organizational development of the Russian Air Force for the period through the year 2000.

The future of Russia's military aviation is to make qualitative improvements to Air Force groupings by reequipping them with standardized multirole aviation systems. In bomber aviation the Tu-22M and all versions of the Su-24 will be replaced by a multirole bomber with an expanded combat performance. It is planned to equip fighter-bomber aviation with the new fifth-generation Su-27ib, which is already undergoing flight testing.

A promising all-weather ground-attack aircraft is also needed to replace our ground-attack aircraft. Military transport aviation will receive a modern military transport aircraft with enhanced transport and assault-landing performance. In the future we can expect the new multirole front-line fighter which was recently sent for testing at Zhukovskiy near Moscow to enter service.

Number of Aircraft Said Reduced

LD1908173995 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 19 (INTERFAX) — The number of flying vehicles in the composition of Russia's Air Force has reduced by 5,000 from 1991, Colonel General Petr Deynekin, commander-in-chief of Russian Air Force, declared at a press conference in Moscow Saturday.

In his words, today there are about 6,000 aircraft in Russian Air Force, 2,500 out of them are combat ones.

Deynekin said in a conversation with our INTERFAX correspondent that working off of the length of service and shortage of financial resources "to fill in the natural loss of aircraft" are the major reasons of aircraft's reduction.

He also reported that today there are 2,200 more combat aircraft stored in Russia's Defense Ministry in addition to the above mentioned ones. As he said, they have been withdrawn from the composition of the Air Force and "do not fly."

Responding to INTERFAX concerning problems of pilots' training Deynekin noted that the average amount of flying hours among Russian pilots is about 30-40 hours a year under the norm amounting to 180-240 hours. As he said, the major reason lies in unsatisfactory supply with fuel.

"The air force command tries to resolve this problem increasing pilots' training at trainers and during flights at more economic aircraft," Deynekin said.

Army Commander To Tackle Armed Forces Problems

LD1808164695 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — Commander of the Russian Air Borne Troops Colonel-General Yevgeniy Podkolzin intends to protect the interests of the Russian Armed Forces in the new State Duma. A statement to this effect was made by Podkolzin Friday in an INTERFAX interview while commenting on his nomination to run for the Duma on the federal list of the "For the Motherland" election bloc. The bloc is headed by ex-chairman of the Russian State Property Committee Vladimir Polevanov.

The Air Borne Troops commander says he will not launch an election campaign.

"I will not shout any political slogans, but continue serving in the Armed Forces," he said.

Podkolzin said that the "For the Motherland" bloc nominated him a candidate for deputy and "as any Russian citizen, I can be elected to legislative bodies."

The general stressed he will tackle the problems faced by the Russian Armed Forces if elected a parliament member. "I will do my best to create a legislative and material basis for successful operation of the Armed Forces," he said.

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Speaking of the oppositional nature of the "For the Motherland" election bloc, the general said he is little interested in the political outlook of movement leaders. "I am not concerned about politics," said the commander.

Polevanov told a news conference in Moscow, Podkolzin is second on the bloc's elections list.

Nuclear Submarine Crew Demands Pay for July

LD1908182995 Moscow Russian Television Network in Russian 1600 GMT 19 Aug 95

[From the "Vesti" newscast]

[FBIS Translated Text] Details of a rather rare occurrence at a military vessel became known today:

[Correspondent V. Loyter from Archangelsk region] The SEVERNYY RABOCHIY newspaper in Severodvinsk has reported that the crew of the "Vepr" multipurpose nuclear-powered submarine, which was built by Severodvinsk shipbuilders earlier in the year, has refused to set out to sea.

In essence, it is a very commonplace conflict. The submarine crew have collectively demanded that before they set off for the next stage of the trials they should be given their pay and allowances for July.

Collective refusal and collective protest has always been treated as mutiny in the army and the navy. Mutineers have always been dealt with severely. The Northern Fleet command did something of the sort with regard to the Severodvinsk rebels. They were asked to put their refusal to go to sea in writing. Twenty crew members did submit the reports.

But the command of the Northern Fleet and the White Sea Naval Base declined to take any further punitive measures. Instead they started looking for money — and found it. The crew received their pay and allowances.

Time will tell what the end result of the collective display of protest will be for the crew of the "Vepr" multipurpose nuclear-powered submarine cruiser. All this is further and telling evidence that servicemen are increasingly acting like individuals, rather than like cogs in a complex military machine. [Video shows correspondent in studio; a newspaper article; footage of submarines from outside and inside, with caption reading "Footage from the video laboratory of the Severodvinsk Machine-building Enterprise]

Federal Assembly

Duma Condemns Croatia, Proclaims Sanctions

MM1708150695 Moscow ROSSIYSKAYA GAZETA in Russian 18 Aug 95 p 5

["State Duma Statement: On the Republic of Croatia's Aggression and Its Consequences" — ROSSIYSKAYA GAZETA headline; from the "Documents" section]

[FBIS Translated Text] The Croatian Army, armed in circumvention of the embargo and trained by U.S. military specialists, has perpetrated its seventh and largest act of aggression against Serbian Krajina, which is under UN protection. Unlike events in Bosnia, neither the United Nations nor the world community as a whole responded to the mass extermination of the civilian Serb population. The fact that the Croatian aggression was supported from the air by NATO bombing raids was the height of cynicism.

The greatest human tragedy in Europe since World War II is developing before the very eyes of all humanity. The Serb people, who suffered tremendous losses 50 years ago, are once again suffering at the hands of the Croatian authorities. Over 200,000 Serbs have already left the land where they have lived for centuries.

The Russian Federation Federal Assembly State Duma demands that the genocide of the Serb people be ended, the safe evacuation of civilians from the combat zone ensured, and all-around humanitarian aid provided for them. The retention of the anti-Serbian sanctions today is a disgrace to the world community and turns it into the butcher of Serb women, children, and elderly. Given the Republic of Croatia's incessant, provocative, aggressive actions the State Duma is forced to legislatively proclaim economic sanctions against the Republic of Croatia.

The State Duma once again emphasizes that there is no military solution to the Yugoslav crisis and urges all the warring parties to come to the negotiating table. It is once again proposed that the initiatives set out in the State Duma's Declaration "On Russia's Position at the Present Stage of the Crisis in the Balkans and on Initiatives for a Bosnian Settlement" of 9 June 1995, which have already been backed by the parliament of the Republic of Serbia, be used as a basis for talks.

The State Duma expresses extreme dissatisfaction with the lack of autonomy shown by Russian diplomacy in settling the crisis in the Balkans and insistently advises the Russian Federation Ministry of Foreign Affairs to be guided in its activity in the Balkans by the firm stance repeatedly voiced by the president of the Russian Federation and expressed in Russian Federation Federal

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Assembly documents. The State Duma advocates the cessation of the boycott against the Bosnian Serbs and considers essential their mandatory representation at all forums deciding the future of the former Yugoslav republic of Bosnia-Herzegovina.

The State Duma urges the leaders of the Federal Republic of Yugoslavia and the Republic of Serbia to cease all division and strife at this critical moment for the fate of the fraternal Serb people. "Only accord will save Serbia!"

List of Legislative, Regulatory Documents 6-12 Aug

95P50161

[FBIS Media Note] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parentheses indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

First Installment Of Draft Federal Law On Joint-Stock Companies Which Passed Its First Reading In Duma On 23 June. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 pp 9-12) (19,000)

Latest Installment Of Draft Civil Code. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 p 14) (6000)

Government 10 July Decree No. 700 Approving Appended Federal Targeted Program 'Construction On Russian Federation Territory Of Housing For Citizens Moving Out Of Regions In The Far North And Other Localities Of Equal Status.' (Moscow ROSSIYSKAYA GAZETA in Russian 8 Aug 95 pp 4-6) (15,000)

Chernomyrdin-Signed 17 July Government Decree No. 723 On Transfer Of Two State-Owned Organizations In Samara Oblast To Oblast Public Ownership. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 4) (100)

Federation Council 21 July Resolutions Endorsing Federal Laws Amending Banking Law, Setting 1996 Budget Timetable, With Unattributed Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 6) (700)

Government 24 July Decree No. 742 Amending Earlier Decree On Sale Of "Svyazinvest" Company. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 6) (300) (Text)

Government 24 July Decree No. 777 On State Committee For Supporting Small Business. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 5) (650) (Text) Government 24 July Directive No. 1025 On Transfer Of Defunct Government Press Service Property. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 p 7) (250)

Government 24 July Directive No. 1026 On Liquidation Of Moscow "Alfa" Military Communications Plant, Plus Vyacheslav Goncharov Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 6) (300) (Text)

Government 24 July Directive No. 1031-r Approving Finance Ministry And Central Bank Proposal On Commercial Banks' Loans To Organizations Shipping Supplies To Far North. (Moscow ROSSIYSKAYA GAZETA in Russian 8 Aug 95 p 6) (450)

Goskomimushchestvo 27 July Directive No. 1015-r Appointing Banks As Its Privatization Agents. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 6) (200)

Government 27 July Directive No. 1052 On Transfer Of Government Buildings In Moscow To Federal Ownership. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 p 7) (250)

Government 29 July Directive No. 1069 Approving New International Air Routes. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 6) (450) (Text)

Federal Law No. 123, Given Assent 3 August, On Pedigree Stockraising. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 pp 4-5) (9,000)

Federal Law Dated 4 August Amending Law On Individual Income Tax. (Moscow ROSSIYSKAYA GAZETA in Russian 8 Aug 95 p 1) (400) (Text)

Federal Law No. 128, Given Assent 7 August, Amending Customs, Value-Added Tax Rates. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 p 7) (600)

Yeltsin 7 August Edict No. 822 On Additional Measures For Providing Agro- Industrial Complex With Harvesting Equipment For 1995. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 4) (400)

Yeltsin 9 August Edict No. 836 On Russian Federation State Savings Loan. (Moscow ROSSIYSKAYA GAZETA in Russian 12 Aug 95 p 2) (250)

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SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

State Duma 14 July Resolution No. 990 On State Radio Broadcasting. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 5) (500) (Text)

Government 24 July Directive No. 1021 Listing Nembers Of Ingushetia Aid Commission. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 6) (2000)

Government 24 July Edict No. 754 Setting Up Joint Ilyushin Company With Uzbekistan, With Commentary By General Director Viktor Livanov. (Moscow ROSSIYSKAYA GAZETA in Russian 11 Aug 95 p 7) (800) (Text)

Central Electoral Commission Decree No. 8/51-p Of 28 July 1995, Approving Appended Instruction On The Procedure For The Formation And Expenditure Of Election Campaign Funds By Candidate Deputies, Electoral Associations, And Electoral Blocs During The Election Of Russian Federation Federal Assembly State Duma Deputies. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 pp 5-6) (5000)

Chernomyrdin-Signed 31 July Government Decree No. 776 On Submission To Duma Of Proposal For Denunciation Of 1969 USSR-Finland Agreement On Fishing, Seal Hunting. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 4) (300) (Text)

Government 31 July Directive No. 1066 Approving Series Of Seminars For Local Executive Apparatus Chiefs On Improving Efficiency. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 4) (150)

Federal Law No. 124 Ratifying Agreement On International Legal Guarantees Of Unimpeded Activity Of Interstate 'Mir' Broadcasting Company Adopted By Duma 21 July, Approved by Federation Council 21 July, Signed By Yeltsin 3 August. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 4) (50)

Yeltsin 5 August Edict No. 819 Listing Defunct Presidential Orders. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Aug 95 p 4) (400)

Yeltsin-Signed 5 August Federal Law No. 126 On Railroad Troops. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Aug 95 p 4) (2600) (Text)

Regional Affairs

R2.5 Billion to Ossetia for Peacekeeping Battalion

MM2108095695 Moscow ROSSIYSKAYA GAZETA in Russian 18 Aug 95 p 5

[Directive No. 1064-r of the Russian Federation Government, dated Moscow, 29 July and signed by Russian Federation Government Chairman V. Chernomyrdin]

[FBIS Translated Text] The sum of 2.5 billion rubles should be allocated to the government of the Republic of North Ossetia in July 1995 from the Russian Federation Government reserve fund for the elimination of the effects of emergency situations to finance an Ossetian peacekeeping battalion.

[Signed] Russian Federation Government Chairman V. Chernomyrdin

Ingush Direct Federal Rule Urged for Prigorodnyy

LD1808163495 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1120 GMT 18 Aug 95

[FBIS Translated Text] The Parliament of Ingushetia believes direct federal rule should be introduced on the territory of Prigorodnyy district of North Ossetia, Azamat Nalgiyev, deputy of Ingushetia's National Assembly, told Ekho Moskvy radio.

"The Ossetian side is still hindering the return of citizens of Ingush nationality who were deported from Prigorodnyy district and the town of Vladikavkaz," a statement by the National Assembly of the Republic of Ingushetia states.

In particular, "on 17 August 1995, an organized group of Ossetians, armed with various metal objects and stones, stopped a bus bearing a corpse to the cemetery in the village of Oktyabrskoye, Prigorodnyy district. The relatives of the deceased were beaten up, and received serious injuries. This is not the first instance of such vandalism on the territory of Prigorodnyy district of North Ossetia," the text of the statement runs. "Other unlawful acts — killings, arson, shelling of Ingush houses, and the beating up of Ingush citizens — have also been registered.

"All the political means of solving the problem tried out between 1993-1995 have proved fruitless," the deputies of the Ingush Parliament believe. "Therefore, the National Assembly of the Republic of Ingushetia declares it is essential to introduce direct federal rule on the territory of Prigorodnyy district of North Ossetia, as the sole realistic condition for those deported from their permanent homes to return, for ensuring the safety of all citizens, and stabilizing the situation in the region."

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Ingush Refugees Return to N. Ossetia

LD1908113695 Moscow ITAR-TASS in English 1109 GMT 19 Aug 95

[By Valeriy Shanayev]

[FBIS Transcribed Text] VLADIKAVKAZ August 19 (ITAR-TASS) — Return of Ingushi refugees to North Ossetia's Prigorodnyy district is in quiet progress, North Ossetian Deputy Interior Minister Colonel Soslan Sikoyev said in an interview with ITAR-TASS.

The Prigorodnyy district was the hub of the North Ossetian-Ingushi conflict in the autumn of 1992.

Sikoyev dismissed media reports that a funeral procession of Ingushis was blocked and stoned two days ago near Ossetian villages Kartsa and Oktyabrskoye.

Sikoyev said, some locals sound hostile to returning Ingushis.

However, most of the district's population is loyal to the return of Ingushis who had not taken part in the bloodshedding clashes of 1992, Sikoyev said.

Ilyumzhinov Backs Yeltsin, Dreams of 'Kalmyk Khanate'

MK1808150495 Moscow SEGODNYA in Russian 18 Aug 95 p 2

[Report by Yelena Tregubova: "Kirsan Ilyumzhinov Will Support 'Russia Is Our Home' and President Yeltsin. He Is Dreaming of Creating 'a Khanate Within the Russian Empire' Out of His Kalmykia"]

[FBIS Translated Excerpt] Kalmykia's President Kirsan Ilyumzhinov assured journalists at a news conference yesterday [17 August] that in the forthcoming presidential and parliamentary elections he will support Boris Yeltsin and the "Russia Is Our Home" bloc, respectively. True, the Kalmyk leader added immediately that his "small, mostly agrarian republic has to maneuver," and that, therefore, he "will partly support the Agrarian Party." [passage omitted]

In the general federation election, the largest number of votes in Kalmykia was received by the Liberal Democratic Party of Russia. At yesterday's news conference, however, President Ilyumzhinov said that he "did not support this party in any way but, quite the contrary, kept aloof from the election and had no control whatsoever over the election campaign."

At the same time, Mr. Ilyumzhinov announced his intention "to supervise closely the election campaign" for the early reelection of Kalmykia's president, scheduled by him for 15 October. "Those who wish to win need to impose their own rules of the game. Therefore, I, too, have imposed my own rules of the game by announcing early reelection — thus plunging my opponents into a state of shock," Mr. Ilyumzhinov said. Speaking to reporters, he admitted that a person in power "has at his disposal absolutely all means to win reelection. He can aptly stage an election campaign using mass media, etc. If, however, he is unable to seize this advantage, he is not worth a brass farthing...."

The next Kalmykia president (Mr. Ilyumzhinov is fully determined to be the one), as has been decided by the present Kalmykia leadership, will permanently remain in his post until the year 2000. Kirsan Ilyumzhinov explained that "this is essential as a guarantee for Western investors." He has so far rejected the proposals for his lifetime presidency that can already be heard in his entourage. He admits, though, that his "dream" is a "gradual emergence of a Kalmyk Khanate within the Russian Empire." The future khan thinks, however, that "the time is not ripe yet," and, therefore, "democratic games and rules still need to be observed." [passage omitted]

Soskovets Urges Caucasus Regions To Join RIOH

MM2108093095 Moscow ROSSIYSKAYA GAZETA (Weekend Edition) in Russian 19 Aug 95 p 2

[Unattributed report: "'Russia Is Our Home' in the Caucasus"]

[FBIS Translated Text] Speaking at a conference of the Economic Cooperation Association of the republics, krays, and oblasts of the North Caucasus, Oleg Soskovets, first deputy chairman of the Russian Federation Government, yesterday called on the population of the North Caucasus to occupy a worthy place in the Russia-wide "Russia Is Our Home" public political movement.

Achieving political stability in the country by means of pooling the efforts of all parties, public organizations, and specific people interested in implementing economic reforms in Russia is the main task of the "Russia Is Our Home" movement. The movement's special feature, he noted, is that it is striving to unify the interests of the regions at federal level into a common course and solve all problems together.

Dagestan National Movements in Disarray

954F3103A Nalchik SEVERNYY KAVKAZ in Russian 12 Aug 95 p 5

[Article by E. Urazayev: "National Movements: Confusion and Vacillation, or Leo Prepares To Leap"]

[FBIS Translated Text] Dagestan's national movements are going through a distinctive stage. Whereas prior

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to the adoption in the summer of last year of the new Constitution of the Republic of Dagestan and the Law on Parliamentary Elections there was a stream of political statements of their steering bodies and protests of activists in the news media, in the course of the elections in the winter and spring of this year everything boiled down to giving a push to their candidates for deputy of the People's Assembly almost without the use of the ideologies of the national movements. The point being that under the conditions of small and, virtually, national-territorial constituencies there was no need to parade one's patriotism. Nonetheless, the leaders of the national movements who were in parallel involved in commerce and enterprise became members of parliament.

Following the elections, the nationality issue receded into the background, as it were—neither statements nor meetings, and no newspapers. Only the deputy's inquiry of the leaders of the Lezgin Sadval and Lezgin National Council movements apropos the infringement of the rights of the citizens of Dagestan when crossing the closed border of the Russian Federation with Azerbaijan and the problem of the separated Lezgin people as a whole constituted an exception.

The prolix explanations and decrees of the Government and the People's Assembly of the Republic of Dagestan failed yet again to satisfy some activists of the Lezgin Sadval movement, and they decided to hold a special congress. It took place on 3 August in the village of Magaramkent, which is in the border zone. According to the participants, approximately 200 delegates took part in the congress, but the leader, A. Ashuraliyev, and some members of the movement's council were absent. Having in their speeches criticized their leader for insufficient assertiveness and perseverance, the delegates elected chairman of the council of the movement A. Alimirzoyev, and added to the previous demands for an opening of the border and a start on negotiations on the status of the Lezgin people demands for an end to the discrimination against the Lezgin in appointments to directive positions and the election to the Russian Parliament of at least one representative of theirs.

In observers' opinion, the results of the special congress of Sadvalites will hardly be recognized by other, more moderate parts of the movement's activists. It should be noted that the Sadval (Unity) movement is the most susceptible to splits and changes of leaders. A professor, a general, and a distinguished fighter—a "freebooter"—have been such. Each of them started out with radical demands, but then "fell" under criticism for compromise with the nomenklatura.

There was recently an incident also in the Avar Popular Movement, which has elected as deputies of the People's Assembly more than 10 of its activists in a quota of 33 "Avar" mandates. G. Abashilov, former member of the Avar Popular Movement Executive Committee and editor of the newspaper MOLODEZH DAGESTANA, addressed an open letter to the movement's leader G. Makhachev. He proposed that the Avar Popular Movement be converted into a national cultural center, justifying this by the fact that, first, political problems may be tackled via deputies elected by a majority of the Avar people, second, the easing of interethnic tension and the absence of a need, strictly speaking, to fight with anyone, and, third, the fact that international financial and economic groups, which, essentially, are predetermining the solution of problems, have begun to dominate the economic life of the republic. According to the available information, the Avar Popular Movement Executive Committee intends to discuss this letter.

If the other national movements are doing any work, they are not, to all appearances, parading it inasmuch as, without ideologies and public meetings, going from office to office and deciding personnel or financial matters is all that is left. There has simultaneously been an easing also of the contradictions between the radical democrats and the "moderate" patriots and also between the "nomenklatura-bourgeois" and democratic parts of the national movements.

The idea of the national movements being confined to the sphere of culture has long been propagandized by the official structures, but has not until now had full support. In addition, the commission of the Kumyk National Council movement encountered a multiplicity of various funds and cultural centers, which are chaotically staging jubilee activities in honor of those who, perhaps, do not deserve national status. The commission adopted the decision to form one national cultural fund, whose job it is to coordinate the activity of the Kumyk funds and cultural centers. But whether they will be successful is not clear.

Despite the weakening of the national movements, officials should hardly look for their collapse or transformation into cultural centers. The election struggle that is starting will one way or another mobilize the national movements also for the election of "their" deputies to the State Duma of the Russian Federation.

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Defense Ministry Orders Closure of Baltic Air Base

LD2008214195 Moscow Russian Public Television First Channel Network in Russian 2025 GMT 20 Aug 95

[Video report by correspondent Stanislav Chekalin from Kaliningrad]

[FBIS Translated Text] At a briefing marking the Air Forces Day, Lieutenant General Vasiliy Proskurnin, commander of the Aviation of the Baltic Fleet, was, as appropriate, speaking about achievements — even though the mood was rather somber. A telegram has been received from the General Staff, ordering the scrapping of the pride of the Baltic Fleet, the squadron of antisubmarine warfare amphibious aircraft based on the Baltic spit, at the westernmost point of Russia. Since World War II, it has provided reliable protection from the air for the territorial waters of the Baltic Sea.

We went to the spit to find everything out on the spot and to congratulate the pilots on the occasion of their holiday.

[Begin unidentified airman recording] Thank you very much indeed, but the mood is not festive. We are about to be disbanded. Here we are to abandon a great airfield, a fine base, to abandon our apartments and to go God knows where. [end recording]

[Chekalin] It is hard to understand this decision by the Defense Ministry. After its redeployment away from the Baltics, the Baltic Fleet has lost 80 percent of its base facilities, including half of its airfields, and its personnel has been halved. Why then lose this westernmost airfield far at sea, why increase the number of officers without apartments? Maybe there are some higher strategic considerations? [video shows briefing, amphibious aircraft, the Baltic spit, hangars, vessels in harbor, airmen talking to reporters]

Report on Development of Oil Industry in Nenets

LD1708200895

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 0915 GMT on 16 August broadcasts a 45-minute video report from the "Business Russia" program by Dmitriy Nersesov on the development of the oil industry in the Nenets autonomous area, which is now being called the northern Kuwait. Its territory contains very rich deposits of carbohydron raw materials, which are part of the Timan-Pechora oil and gas province. Seventy-five deposits have been discovered and their total resources are estimated at almost 2.5 billion tonnes of oil and over 1 billion cubic meters of gas and gas condensate. Industrial extraction has been under way since 1987.

Last year almost 2 million tonnes of oil was extracted and in 1995 it is planned to raise the level to over 2.5 million. Since the start of the 1990s leading oil companies have been intently focusing their attention on promising deposits in the Nenets autonomous area. In 1992 Polyarnoye Siyaniye, the first joint venture was registered. After just two years it set about extracting oil and pumping it along a newly built oil pipeline. Last year Nenets autonomous area held first place in Russia for the volume of foreign investment.

At present negotiations are under way on the largest draft agreement in Russia in respect of the terms for dividing up the output of the Timan-Pechora region with a consortium that includes such companies as Texaco, Exxon, Amoco, and Norsk Hydro.

An interview is shown with Yuriy Komarovskiy, governor of the Nenets autonomous area, who states that the Timan-Pechora project, sometimes referred to as TPK, amounted to about $54 billion. The project is due to run for 45 years, but the initial investments during the first two to three years will be $1 billion. He said the area already had experience of the Polyarnoye Siyaniye project, which cost $500 million.

The correspondent resumes by saying that nevertheless, development prospects are not quite certain yet. The fact is that Russia still lacks a law on agreements on dividing up output and this is acting as a strong restraint on potential investors, who have no firm guarantee that they will recoup their own investments.

Komarovskiy states that the law had become bogged down in the Federation Council after being passed by the State Duma. This law is now a top priority in the area.

According to estimates, the correspondent says, if such a law is passed, the total investments in the Nenets autonomous area could within two to three years amount to between $2 and $4 billion. This is an impressive amount, considering that the area's population does not exceed 50,000 people. Another problem facing the area is the creation of a system to transport the oil. At present the oil is being exported along a trunk pipeline that crosses the Komi Republic. However, the recent accident near Usinsk showed that this option is not entirely satisfactory. Therefore the possibility is being considered of building an underwater oil pipeline to the island of Kolguyev, from where tankers could convey the oil to Murmansk. This project, which is called the Severnyye Vorota (Northern Gates) project, envisages the construction of a large terminal on the island, which should cost approximately $300 million.

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According to Komarovskiy the area's interests definitely lie with a northern option, especially with the construction in the west of the area of an oil pipeline to the port of Indiga. This option was studied back in the 1950s and it is a good project devised by the Komi Republic's institutions. He said that the prospect of obtaining a road running northward along the oil pipeline is attractive, but it is incorrect to say that this is the most important element in reaching a final decision.

The correspondent finished by saying that according to Komarovskiy a decision on this matter should be taken first and foremost on the basis of the economic interests of the whole of Russia.

Maritime Softens Stance on Tumangan Project

LD1908182795 Moscow Radio Rossii Network in Russian 1000 GMT 19 Aug 95

[FBIS Translated Text] A group of UN experts has completed work in Maritime Territory on problems of the Tumangan project. Olga Zhurman, our correspondent in Vladivostok, reports:

[Begin Zhurman recording] The Tumangan project, which derives its name from the Tumannaya River, is a great bone of contention in Maritime Territory. The essence of the project is as follows: In the river's estuary, China, North Korea, and Mongolia are building a port and town, respectively, with a population of approximately 6 million. A favorable economic regime is being created in the territory and these countries are acquiring access to the Sea of Japan.

For Maritime Territory the implementation of this project is tantamount to economic death, for, taking into account the speed and quality of handling cargoes, and also the time it takes for them to proceed from the Far East to Europe along the Transsib trunk railway, the maritime and fishing ports of Vladivostok, Nakhodka, and the territory's southernmost Khasan District, risk losing their jobs.

This has forced Maritime Territory's Administration to soften its position with respect to the international project and state that Maritime Territory could participate in the Tumangan project in the sphere of transport infrastructure alone. [end recording]

Agriculture Minister Nazarchuk Visits Tatarstan

MM2108094895 Moscow SELSKAYA ZHIZN in Russian 19 Aug 95 p 1

[TATARINFORM report: "Meetings in Tatarstan"]

[FBIS Translated Text] Aleksandr Nazarchuk, Russian Federation minister of agriculture and food, has paid a business visit to the Republic of Tatarstan.

Rauks Gareyev, general director of the "Tatraps" Joint-Stock Company, asked Aleksandr Nazarchuk to allocate the funds provided for in decisions of the Russian Federation State Committee for Economics [Goskomekonomiki] to complete the construction of this project. Nazarchuk noted the combine's high readiness and gave an assurance that measures will be taken to accelerate the resolution of financial problems. For, judging from the business plan that was submitted, the proposed capacities of the combine under construction are capable of providing not just Tatarstan but also the entire Volga region with fat and oil products.

Economic Issues

Chubays Claims Inflation 'Consistently Decreasing'

LD1808200695 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 18 (INTERFAX) — Inflation has been consistently decreasing in Russia since the beginning of 1995.

Russian First Deputy Prime Minister Anatoliy Chubays told INTERFAX in an interview that inflation was 17.8% in January while in July it dropped by over three times and totalled 5.4%.

The Russian government earlier declared its intention to tighten control over money supply and limit its monthly growth within 1.5%-2% for the next six months in order to prevent a jump in inflation in the fall.

The Economics Ministry has drawn up a prognosis of Russia's social-economic development that would bring monthly inflation down to 2%-2.5% by the end of this year. Monthly inflation may not exceed 2% in 1996.

Market Uncertain About Ruble-Dollar Exhchange Rate

MM1808132195 Moscow IZVESTIYA (Financial Section) in Russian 15 Aug 95 p 2

[Report by Andrey Yakovlev, academic prorector of the Higher School of Economics: "Managers of Business Companies Do Not Believe in Ruble's Stabilization"]

[FBIS Translated Text] The majority of participants in the market think that the government and the Central Bank are capable of maintaining the exchange rate at a level below 4,900 rubles [R] to the dollar. This is indicated by direct replies to a question about this in the latest survey of Moscow business company managers carried out by the Higher School of Economics at the end of July, as well as by the change in the level of market forecasts. In particular, quotations for Moscow Commodities Exchange futures contracts for delivery 15

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September and 15 October have fallen below R4,900 to the dollar, and the average forecast for the exchange rate at the end of September, based on results of the July survey of wholesalers, is R4,866 compared to R5,390 a month earlier.

At the same time it is expected that after 1 October the increase in the exchange rate will accelerate. Expectations are also much higher in the commodities market than in the Moscow Commodities Exchange and the MTsFB [expansion unknown] futures market. Moscow wholesalers, 60 percent of whose trade turnover is accounted for by imported goods and who regularly make sorties into the currency market as purchasers, are counting on a 10 percent increase in the exchange rate in October against a 4 percent increase in August and a 5.9 percent increase in September. Futures brokers are also basing their plans on an approximately two-fold acceleration in the increase of the exchange rate, which in percentage terms amounts to around 4 percent per month for November and December against 2 percent for August and September.

The range of expectations of participants in the market, which was reduced somewhat directly after the statement by the Central Bank and the government, has again begun to become more exaggerated. The dynamics of the number of open positions on the futures market can serve as an indicator here. (The actual number of open positions indicates the "pure" volume of currency that should be delivered by sellers and accepted by purchasers in accordance with current terminal contracts. Since futures deals are struck either to play on the difference in prices or to insure against unfavorable changes in the rate of exchange, an increase in the number of open positions will mean that a greater number of participants in the market are counting on a significant change in exchange quotations).

After the major fall directly following the government and Central Bank statement, the indicator in question gradually returned to its previous level at the Moscow Commodities Exchange. At the MTsFB the volume of open positions continued to increase and in a month increased by more than one-third.

Specialists at the Higher School of Economics think that it is possible to single out the further decrease in the exchange rate from the reasons for increased tension observed in the market. One specific example is that the sharp increase in the number of open positions at the Moscow Commodities Exchange — from $65 million to $110 million — occurred in June against a background of an accelerated decrease in the dollar exchange rate at the Moscow Interbank Currency Exchange. At the same time, there was an increase in the expected growth rate of the exchange rate, which had been built into the futures quotations (approximately 3.5 percent per month at the end of July against 2.5 percent at the end of May) and the wholesalers' forecasts (3.4 percent per month in the coming quarter — according to figures from the May survey, 5.8 percent at the end of June, and 6.5 percent at the end of July.)

The lack of a clear-cut government policy after 1 October is leading to an increased range of expectations and paves the way for the currency market's destabilization. Therefore, in order to maintain stability, it is expedient for the government and Central Bank to determine their position and the currency band's new limits not just before 1 October but at least a month before that date.

This article was prepared as part of the project "Monitoring the State and Conduct of Enterprises" financed by the Ministry of the Economy.

IBRD Loan To Fund Urban Transport Project

MM1808120795 Moscow ROSSIYSKIYE VESTI in Russian 18 Aug 95 p 1

[Unattributed report: "$329 Million To Develop Urban Transport...."]

[FBIS Translated Text] The Russian Federation Government has adopted a proposal from the Russian Federation Ministry of Transport to sign an agreement with the International Bank for Reconstruction and Development (IBRD) on a loan of $329 million to fund the "Urban Public Transport" project. A draft preliminary agreement has been reached with the IBRD.

'Baltic Shipping Lines' Offers Debt-Repayment Plan

MM1808123495 Moscow SEGODNYA in Russian 16 Aug 95 p 4

[SEGODNYA report: "'Baltic Shipping Lines' Joint-Stock Company on Verge of Bankruptcy"]

[FBIS Translated Text] The "Baltiyskoye Morskoye Parokhodstvo" ["Baltic Shipping Lines"] Joint-Stock Company has admitted debts to a number of Western companies totaling more than $60 million. The company's leaders announced at a meeting with representatives of the creditors that a program to get one of Russia's biggest shipping companies out of its crisis has been already elaborated and calls, in particular, for the repayment of the bulk of the debts before the end of 1995. Vasiliy Falko, deputy general director of the "Baltic Shipping Lines," revealed that the meeting with representatives of the creditors "passed off in a constructive spirit" and that the Western businessmen pronounced the company leadership's proposals feasible.

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1996 Oil Production To Top 300 Million Tonnes

MM1808120995 Moscow ROSSIYSKIYE VESTI in Russian 18 Aug 95 p 1

[Unattributed report: "Oil Production To Increase"]

[FBIS Translated Text] Ministry of the Economy experts are predicting that oil production will increase to 300-310 million tonnes a year in 1996. Oil exports will be 117-123 million tonnes a year.

Farmers Begin Winter Plowing, Sowing Season

LD2008140295 Moscow INTERFAX in English 1314 GMT 20 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 20 (INTERFAX) — Russia's farms, having gathered in 52% of this year's grain harvest, have started a new plowing and sowing season, the Agriculture and Food Ministry said on Sunday.

The country's agricultural enterprises have already plowed up 7.2 million hectares of land — twice as much as they had done by the same date last year — and sown winter crops over an area of 2.7 million hectares, compared to 1.8 hectares by the same date in 1994, the ministry said in a report made available to INTERFAX.

Since 1991 the area under all principal farm crops has been reduced by 15%, the area under grain and pulse ones having been cut by 2.6 million hectares, according to the report.

This year the area to be sown with winter grain crops is due to be expanded to between 15 and 16 million hectares in an attempt to have the same yield next year as this year's expected 60 to 70 million tonnes (compared to 81.3 million tonnes last year). Experts estimate this is nearly all the bread and fodder grain the country needs.

The amount of livestock is meanwhile continuing to shrink, the report said. During the seven months from January to July the amount of cattle decreased by 10%, that of pigs by 14%, that of sheep by 31% and that of poultry by 13%.

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International Affairs

Kuchma Receives Yeltsin Independence Day Message

LD1908161495 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] Kiev, Aug 19 (INTERFAX - UKRAINE) — Russian President Boris Yeltsin sent a congratulation telegram to Ukrainian President Leonid Kuchma on Saturday [19 August] due to Ukraine's upcoming national holiday, Independence Day, to be marked on August 24.

The press service of the Ukrainian president reported to INTERFAX-UKRAINE that the telegram points out that "Russia's and Ukraine's peoples are tightly bound by common history, by a common strive to build human democratic future." "This is the objective basis of a special character of cooperation between our two countries," the telegram says.

Yeltsin expressed the conviction that "the course for a closer and deeper interaction on the basis of strategic partnership, mutual respect and confidence adopted in Sochi will receive its further fruitful development during the next meeting in Kiev."

Agreement With Russia on Missile Cruiser Transfer

LD1908085295 Kiev Radio Ukraine World Service in Ukrainian 0700 GMT 19 Aug 95

[FBIS Translated Text] Ukraine and Russia have drawn up an accord to complete the construction and transfer to the Russian Federation of the missile cruiser Fleet Admiral Lobov. The vessel, according to Nikolayev's 61 Communards shipyard, was launched five years ago. With three quarters of it built, the Soviet Union collapsed. Ukraine in subsequent years independently upgraded the ship to be almost 100 percent ready.

Now Russia has taken interest in the missile cruiser. A payment proposal is this: Russia will offset the costs in the course of the ship's construction between 1 January of 1992 and the date of this accord. It will also provide funds to complete its construction.

Meanwhile, the Soviet era investment in the missile cruiser will be divided equally, with Russia to repay Ukraine its share by power supply. All that remains now is the approval of this document.

U.S. Commander Denies Plans for Odessa Naval Base

LD1808194195 Kiev UNIAN in Ukrainian 1450 GMT 18 Aug 95

[FBIS Translated Text] Odessa — "We are planning to significantly expand and deepen naval cooperation with Ukraine within the 'Partnership for Peace' program," Vice Admiral Donald Pilling, the commander of the U.S. 6th Fleet, told a briefing that was held on board the La Salle flagship today.

However, this does not mean that the U.S. naval forces are planning to station several ships on a permanent basis in the vicinity of Odessa, he said in reply to a question from the Russian Public Television. "The two basing sites for our naval forces in the Mediterranean are sufficient. We are planning something different: To pay annual visits of the La Salle flagship to Ukraine, in particular, to Odessa, in order to ensure permanent interaction between the headquarters of the U.S. 6th Fleet and the Ukrainian Naval Forces," he said.

Replying to a question from UNIAN on whether there were any plans to contact the command of the Black Sea Fleet in Sevastopol this year, Vice Admiral Pilling reaffirmed the invariable stand of the U.S. Naval Command — no such contacts were envisaged on the territory of Ukraine.

Foreign Minister Udovenko Leaves for Finland

LD2108073595 Moscow ITAR-TASS in English 0711 GMT 21 Aug 95

[FBIS Transcribed Text] Kiev August 21 (ITAR-TASS) — Today Ukrainian Foreign Minister Hennadiy Udovenko left for a two-day official visit in Finland at the invitation of Finnish Foreign Minister Tarja Halonen.

The chief aim of the visit is to determine the main directions of relations between Ukraine and Finland in polictical, economic and cultural spheres, as well as to discuss an issue on the preparation of a forthcoming visit of President Leonid Kuchma of Ukraine to this country which is to take place before the end of 1995.

Talks With Moldova on Mutual Ownership Rights

LD1808170095 Moscow INTERFAX in English 1319 GMT 18 Aug 95

[FBIS Transcribed Text] KIEV, Aug 18 (INTERFAX-UKRAINE) — Ukraine and Moldova are continuing talks on the issue of mutual ownership rights and controls.

As INTERFAX-UKRAINE learnt at the press-service of the Ukrainian State Property Fund, during their latest meeting, the sides agreed to specify the submitted earlier lists of facilities located in their respective territories.

The Moldovan side lays claim to 189 facilities in Ukraine's territory (over 100 of them — in Odessa region). Most of these installations are located in the

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city of Odessa, urban-type settlements of Zatoka (53 facilities) and Sergeyevka (Odessa region).

During the meeting, the Moldovan side also turned over to Ukraine papers required to confirm Moldova's ownership rights of wine distilleries in Odessa, Kiev and Lviv.

Ukrainian experts say now they can only examine the given materials, since the Agreement on ownership rights between Ukraine and Moldova has not been ratified by the Ukrainian parliament so far.

Hungary Visa Requirement May Cause 'Severe Tension'

AU1808130595 Kiev MOLOD UKRAYINY in Ukrainian 17 Aug 95 p 1

[Report by the INTELEKT Agency: "Transcarpathian Residents Express Concern"]

[FBIS Translated Text] Gyula Horn, prime minister of the Hungarian Republic, spoke about possibly introducing visas for Yugoslavia, Romania, and Ukraine at a session of the Hungarian Government. This means that citizens of these countries planning to visit Hungary will have to apply to consular offices for visas.

G. Horn explained this innovation by the need to protect national interests and by stepping up the struggle against the "shadow" economy and crime. This news has caused much discouragement in the Hungarian media. For example, NEPSZABADSAG published an article by Uzhhorod resident Elemyr Kevsegi [name as transliterated], who asserts that the "criminal world will reach anywhere no matter what barriers are put in its way. The introduction of visas may lead to severe tension in Transcarpathia, which is still considered an island of peace. It is no secret that the majority of Transcarpathian residents, who can barely make ends meet with their monthly earnings (equivalent to between 3,000 and 5,000 forints), can survive owing to the so-called 'commercial tourism.'"

Parliament To Receive International Electoral Advice

WS1808122595 Kiev INTELNEWS in English 0055 GMT 18 Aug 95

[FBIS Transcribed Text] Kiev, Aug. 17 — The International Foundation for Electoral Systems this week announced signing of an agreement with the Ukrainian Parliament to be the official legal counsel for the parliamentary Committee on Legal Policy, Law and Judicial Reform.

IFES said the agreement will provide legal experts to the Parliament to advise on "landmark legislation in electoral and judicial reform."

The IFES legal team includes Bohdan Futey, a U.S. Federal Claims Court judge, and Stephen Nix, international election law expert.

Futey and Nix will assist in forming five working groups to draft election legislation over the next year.

"These laws will provide the structure required to create a new electoral and judicial system in Ukraine, and we are honored to play a part in this historic process," Futey said.

National Affairs

Foreign Minister Hails Baltics Supportive Stance

LD1908174295 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 19 Aug 95

[FBIS Translated Text] The Ukrainian side regards the coherent foreign policy in support of Ukraine on international and regional cooperation issues by the three Baltic States, Lithuania, Latvia, and Estonia, as one in the interests of security and stability in the European community and worldwide, reads a letter from Ukraine's Foreign Affairs Minister Hennadiy Udovenko to his Latvian counterpart, Valdis Birkavs. Volodymyr Chornyy, Ukrainian charge d'affaires ad interim to Latvia, has delivered the letter.

Hennadiy Udovenko thanked Valdis Birkavs for Latvia's consistent support in every aspect of international activity and expressed the hope that there a productive discussion will take place on a range of points of mutual interest during State President Guntis Ulmanis's upcoming visit to Kiev in November of this year.

Kuchma Tours Black Sea Oil Field in Crimea

LD1808171795 Kiev UNIAN in Ukrainian 1200 GMT 18 Aug 95

[FBIS Translated Text] Simferopol — "What Ukraine needs is a special oil and gas exploration and extraction policy in the Black Sea basin," Ukrainian President Leonid Kuchma said on 17 August, while on a visit to the Shtormove gas deposit in the area of the settlement of Chernomorskoye in Crimea.

"This region has very good prospects and should attract the bulk of state funds for the development of this industry," Kuchma added.

The flotation of Chornomornaftohaz [Black Sea Oil and Gas], a state company, with the participation of foreign

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capital may provide an additional source of funding and raising Crimean oil output, said Valeriy Pustovoytenko, minister to the Cabinet of Ministers of Ukraine.

This visit comes amid expectations that Kuchma will shortly issue an edict lifting the Crimean Parliament's ban on the privatization of this facility, which both prospects for and extracts hydrocarbon on the continental shelf of the Black Sea.

Crimean Prime Minister Anatoliy Franchuk told UNIAN today that agreement had been reached in principle at the London conference on investment opportunities in Ukraine, on a European Bank for Reconstruction and Development [EBRD] loan to advance Crimea's power industry.

The meeting at Shtormove was attended by EBRD Managing Director Oleksandr Savchenko, and representatives of the British company JKX Oil and Gas.

Role of Crimea in Oil Industry Praised

LD1808230495 Kiev Radio Ukraine World Service in Ukrainian 1910 GMT 18 Aug 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma is now on vacation in Crimea. However, 17 August turned out to be a working day for him. In particular, he visited one of the drilling stations of the state production enterprise Chornomornaftohaz. The main aim was to find out what was needed to be done so that Crimea could have sufficient supplies of its own gas. In conversation with the workers of the association the president said:

[Begin Kuchma recording] There should be a separate program for the Black Sea basin. We should not spread the money, which is scarce, all over the country, because the most promising region, from the point of view of oil and gas, is this very region. So, let us search for ... [pauses] Because Ukraine will not be independent until its power engineering is independent, and this refers, first and foremost, to fuel — oil and gas. It is necessary to work towards that end.

As you see, there are representatives of British business here and, most importantly, representatives of the European Bank for Reconstruction and Development — the executive director (?is here). The prospects are more than just normal. We should not be wasting our time, and we cannot lose the time that we are running out of. [end recording]

Planned Pro-Soviet Union Rally 'Fizzled'

WS2108085695 Kiev INTELNEWS in English 0017 GMT 21 Aug 95

[By Oleksandr Pilat, "Special to INTELNEWS"]

[FBIS Transcribed Text] Simferopol, Aug. 19 — A planned rally to demand restoration of the Soviet Union fizzled Saturday [19 August] when meeting organizers failed to show up, leaving attendees blocking Simferopol's crowded streets, only to be dispersed by militia.

Pro-Russian forces in Crimea tried to hold in Simferopol's central square a meeting dedicated to the fourth anniversary of State Committee on the Emergency Situation, the attempted coup against Mikhail Gorbachev. The Russian Society of Crimea on Friday submitted an application to the Simferopol city administration asking permission to conduct the meeting. The city denied the application, society members said.

Despite the negative ruling of local officials, about 50 senior citizens gathered on the square at the appointed time. However, meeting organizers failed to materialize for the event.

Those citizens who came for the rally remained for about 30 minutes, obstructing traffic on Kirova Street, the city's busiest thoroughfare, and shouting their demands to reunify the USSR.

The gathering was broken up by a unit of 70 Berkut riot police. No tear gas, night sticks or other weapons were employed in the peace-keeping operation, witnesses said.

New Crimean Tatar Party Holds Congress

LD1908153095 Kiev UNIAN in Ukrainian 1100 GMT 19 Aug 95

[FBIS Translated Text] Simferopol — The Crimean Tartar national party Adalet (Justice) on 19 August held its constituent congress, assembling 49 delegates.

The congress approved the party's program and charter and elected Server Kerimov [name as transliterated], Majlis member, as the party chairman.

The principal objective as defined by the party program is to seek the recognition of Crimean Tartars as the indigenous people of Crimea and to secure 40-percent representation in local authorities. It will also aim at achieving national and territorial autonomy within Ukraine.

In his speech to the congress, Server Kerimov identified a number of other objectives, namely: restoring a

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national state in Crimea; setting up commercial and other structures to serve the Crimean Tartar interests; and ensuring the national security of the Crimean Tartar people.

"Our mission is to raise a generation of intellectually, spiritually, and physically strong patriots, since our national interests require protection in any form," Server Kerimov told the congress. He warned that any attempt on the interests of the nation would meet with resolute response by "Crimean Tartar national liberation movement patriots."

Server Kerimov accused Russia of being the main cause of Crimean Tartar woes, adding that "until it compensates Crimean Tartars for the losses inflicted, the people will regard Russia as a thug and a pillager."

'Squabbles' in Presidential Administration Viewed

WS1808124695 Kiev KIYEVSKIYE VEDOMOSTI in Russian 11 Aug 95 p 3

[Report by Sergey Rakhmanin: "The Conflict in the Presidential Entourage Becomes Public"]

[FBIS Translated Text] Rumors about the internal conflicts in the Presidential Administration have been spreading in political lobbies for quite a time. But details of contradictions between Leonid Kuchma's associates were not brought into the limelight. Judging from everything, the participants in "office disagreements" themselves did not express a special wish to wash their dirty linen from the house on the Bankovskaya street [the street where the Presidential Administration is located] in public, moreover since additional rumors about the team of the head of the state could considerably affect the president's rating. Against the background of specific political developments (battles for the Law on Power, the Sochi negotiations, the Crimean incident, and the riot on the Sofiiskaya Square), this was, mildly speaking, undesirable.

Anyway, backstage squabbles (even though veiled) were submitted to trial by ordeal. The time for this — the late summer — was quite well chosen: Lawmakers were on annual leaves and the Cabinet of Ministers was virtually just formed.... A report on the "distribution of forces" in the presidential team was published by NOVOSTI not long ago. The report should have been commented on, but KIYEVSKIYE VEDOMOSTI could not find anyone who would run that risk. Representatives of political parties also did not express any opinion regarding that report. The majority of the powers-that-be are now resting from their political labors. So, it is quite possible that they could fail to read this report, because NOVOSTI cannot be found anywhere in Crimea, to say nothing about [the vacations of politicians in] Anatolia or Cyprus.

According to the author of the report, there are two "groups of influence" in the presidential entourage. The first group is represented by Presidential Administration Office head Dmytro Tabachnyk, National Security Council Secretary Vladimir Horbulin, Minister of the Cabinet of Ministers Valeriy Pustovoytenko, as well as by Leonid Derkach and Oleksandr Volkov. "The most influential representatives of the second category" (as NOVOSTI put it) are First Assistant to President Oleksandr Razumkov, Yuriy Havrylov, and Anatoliy Halchynskyy. Dmytro Vydrin was also mentioned as a member of "Razumkov's group."

The first thing that caught the thought was a real separation into "red" and "white." Anatoliy Halchynskyy, first adviser to the president for macroeconomic issues, for example, was charged with incompetence. As regards Razumkov himself, he was reproached for maintaining an "uninterrupted communication line with Oleksandr Moroz," and hints about his links with former president Kravchuk were made. The second reproach seems ridiculous. As regards the first one, the author of the report did not explain what kind of secrets the Presidential Administration could hide from the Supreme Council. The issue, however, has nothing to do with a state secret that could be betrayed to the counterintelligence of a foreign state. The question is why it was necessary for the first presidential assistant — who accelerated the adoption of the Constitutional Accord to a great degree — to be a "transmitter" for Oleksandr Moroz. Inexperienced readers could quite tentatively suggest that the Presidential Administration was not a state body, but an assembly of palace intriguers.

For example, the formulation "if the political situation becomes tense, Oleksandr Razumkov's group, which is now ready to betray its boss, is a factor of potential risk, and this was also startling." The feeling is that the point of the discussion is not the members of the presidential team, but a group of conspirators. In addition, the word "betrayal" has a somewhat criminal connotation.

The following paragraph causes a wry smile: "For him (the president — editorial note), the head of administration implies peculiar 'gates to eternity,' through which a true story about the president will reach our descendants and will make it possible for him to occupy a proper place in national and world history." For a long time rumors have been spread that Mr. Tabachnyk has been keeping a diary which perhaps will become the core for his memoirs (when one is young it is worth taking care of immortality). Perhaps the authors' tone for the article was much too tough, so they did a doubtful turn

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to Mr. Tabachnyk, and the text further noted Dmytro Volodymyrovych's "somewhat shallow journalistic talent."

Fortunately or unfortunately, this report has not yet triggered a too loud response. Some think that this report was only a prelude. Nothing is left for the people but to hope that the head of state, despite his busy schedule, will manage to introduce proper order in his administration, because its collapse would not be good for him and could seriously affect his reputation. This being the case, it would be extremely desirable to learn who the author is or who is behind him, albeit something that is very difficult to do. It is not ruled out in the administration that someone from the support staff or the guards, in collaboration with a third party which has an interest in splitting the presidential team up, was the source of this information.

Remark. *Volodymyr Ryzhov, aide to the Ukrainian president on industrial issues, told journalists in the "Market Reform" press club of the Journalists Association that Leonid Kuchma has instructed relevant ministries to find the author of the NOVOSTI report, which obviously heated up the atmosphere in the Presidential Administration. Volodymyr Ryzhov stated that nervousness had been felt in among the people in the administration's offices. Later, however, the nervousness passed. The information about the alleged* [item apparently incomplete as published]

New Presidential Body To Control Armed Forces

LD1908183195 Kiev UNIAN in Ukrainian 1600 GMT 19 Aug 95

[FBIS Translated Text] Kiev — The Military Inspectorate-General under the president of Ukraine is to formally become operational as of 30 August, according to Inspector-General Valeriy Hubenko. The Inspectorate's legal framework is being finalized, he said.

The Military Inspectorate-General was set up by a presidential edict in February 1995. General Hubenko, a former commander of the Ukrainian Border Troops, was appointed as inspector-general in May.

The Inspectorate will oversee the Ministry of Defense, the Armed Forces, the Border Troops, Civil Defense, the Interior and Convoy Security Troops of the Ministry of Internal Affairs, the National Guard, the Security Service Government Communications Force, the Society in Aid of Defense, and other military formations set up under the active legislation.

According to Gen. Hubenko, the Inspectorate's main task is to control combat readiness in the forces. Other tasks include control over troop activity; measures to ensure rational use of economic, technical, and scientific resources available in the state to reform and develop the forces; control over adherence to Ukrainian law in the forces; as well as reviews of call-up procedures and reserve troop training.

The Inspectorate will also investigate facts of abuse, violence, fraud, and other offenses in areas under its control and work out measures to prevent such offenses.

The Inspectorate will have a staff of 53, including, according to Hubenko, "six relatively young and experienced generals." He stressed that the Inspectorate was not a "vacation group," as some journalists were quick to brand it, but a "specialized presidential body of military control and expert analysis."

Interior Ministry Views War Against Crime

WS1808125595 Kiev IMENEM ZAKONU in Ukrainian 11 Aug 95 p 2

[Unattributed report: "Organized Crime: It Is Not Possible To Crash This Evil With Preventive Strikes. It Is Necessary To Launch a Total Attack"]

[FBIS Translated Text] The idea mentioned in the title thoroughly permeated a recent session of the Interior Ministry Collegium.

This session should be considered a milestone in assessing the state and results of the struggle against the "fifth authority." Such a conclusion was voiced, in particular, in a report by Ukrainian Interior Minister Yu. Kravchenko and in his assessments and comments made in the course of supplementary reports delivered by First Deputy Interior Minister Yu. Vandin, Deputy Interior Minister V. Korol, Deputy Interior Minister O. Shtanko, a number of chiefs of the Interior Ministry departments and oblast directorates, as well as in addresses by V. Durdynets, deputy prime minister and head of the Coordination Committee Under the Ukrainian President for Combating Organized Crime and Corruption, and H. Omelchenko, head of the Ukrainian Supreme Council Permanent Commission for Issues of Combating Organized Crime and Corruption. The point was not in the formal side of the session, even though this issue stood first on the daily agenda, but in an extremely difficult situation distinguishing the above-mentioned confrontation. Law-enforcement bodies "are pressed down" by one more factor in combating corruption and organized crime — that of time. Every action, every task has its own time parameters. If they are not observed, then the whole scheme may be called abortive.

We see that the situation is deteriorating in two ways: Criminality is still growing in our society, while the

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police are running short of credibility with regard to their anticipated "crackdown" on crime. Taking advantage of this opportunity, we will recall that a year has already passed since Ukrainian President L. Kuchma issued his edict "On Urgent Measures for Strengthening the Struggle Against Crime," and half a year since the Coordination Committee Under the Ukrainian President approved a program for combating the "fifth authority" [the criminal world].

The acuteness of the discussion was obviously enhanced by the fact that it was the first session of the Interior Ministry Collegium after Yu. Kravchenko — a man free from the syndrome of personal imperfection — had assumed the post of interior minister.

What were the main points spotlighted by the Interior Ministry Collegium session with regard to combating corruption and organized crime? It was emphasized that the most dangerous crimes have not been efficiently counteracted by the Ukrainian Interior Ministry's directorates in Crimea, Luhansk, Dnipropetrovsk, and some other oblasts. Of course, there were also attempts to present matters as if combating crime in Ukraine, including organized crime, proceeds according to a plan worked out beforehand. Data were cited on the number of conducted operations, arrested criminals, impounded weapons and drugs....

However, each of such "reports" was followed by the interior minister's appeal to not confuse ideas, that is, to not present results achieved by all police forces as those attributed to subunits for combating the mafia. It was proposed to provide specific data on how many bandit formations were liquidated, how many of them are currently under investigation, as well as how many criminal world authorities are listed by the police and what are the prospects for spotting them.

Speakers at the session often experienced hard moments, because the old scheme of reporting, which absorbed everything starting with the description of organized crime as a phenomenon and ending with the assertion of the significance of combating it, did not work any longer. Even the fact that the number of grave crimes has decreased in Ukraine for the first time in recent years and the ratio of solved crimes has increased was not "helpful" here.

Considerable attention was paid at the Collegium session to the regulation of reporting on the sphere of organized crime. Tasks were allocated to elaborate clear criteria for presenting the actual situation and charge the chiefs of the Interior Ministry oblast directorates with personal responsibility for the authenticity of provided data. It is also necessary to specify the framework of the very notion of "organized crime." Ukraine's legislative power should have its own word on this issue.

The results of an assault on the "fifth authority" could be more tangible if officers of the subunits for combating organized crime were provided with appropriate methodological and scientific analyses. As of today, 56 recommendations have been made in this sphere and 200 officers have been retrained, but these are insufficient measures. At the same time, the Analytical Center for Issues of Combating Organized Crime, which has been created under an initiative of the president, still performs unsatisfactorily. Too little attention is paid in oblasts to the working out of regional programs for combating the mafia; experts from appropriate branches have not been involved in this task.

There has not been appropriate cooperation in combating criminal groups among police subunits, the Security Service of Ukraine, the Prosecutor's Office, and other competent bodies.

An exceptionally important role in cracking down on crime is being laid on the bodies of preliminary investigation. Despite the fact that the number of solved crimes increased during the first half of the current year, a significant amount of criminal cases are investigated with violation of approved timeframes, or are returned by the courts for further investigation, or are not accepted by the courts, thus failing to inflict punishment upon the guilty. This may be explained to a considerable extent by the fluctuation in investigative staff, the lack of professional experience, and a decrease in the core of professional investigators. As a result, the workload on investigators is increasing. Now each of them has to investigate on average eight criminal cases per month. The number of criminal cases that exceeded their investigation timeframes is continually increasing. In some Interior Ministry directorates, particularly in Lugansk and Mykolayiv Oblasts and in the city of Kiev, the situation is so bad that investigators would actually have to be engaged in solving only this category of criminal cases in order to cope with them.

Along with this, hundreds of criminal actions are instigated on no grounds at all or for a "tick" in a report. Eventually, all the effort on the part of investigators in such cases is "put into the garbage bag"; this often takes place while they are already involved in investigating several cases that exceed their investigation timeframes. It was emphasized at the session that it is possible to diminish the workload on these investigators and create more favorable conditions for their work, providing the other police services are charged with the task of investigating minor criminal offenses. The chiefs of services were instructed to pass appropriate proposals

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to the Cabinet of Ministers to make it, in its turn, to submit them in the form of a legislative initiative to the Supreme Council.

The Interior Ministry Collegium session also examined the issue of the reasons behind and consequences of the mass violations of public order in Crimea, as well as measures for preventing such emergency situations. Reports on this issue were delivered by Deputy Interior Minister V. Chernyshov and V. Kyrychenko, chief of Ukraine's Interior Ministry Directorate in the Autonomous Republic of Crimea. Deputy Prime Minister V. Durdynets presented his own conclusions on the situation that recently took place in the peninsula and on the role of Crimea's law-enforcement bodies.

Resolutions adopted on the issues examined by the Ukrainian Interior Ministry Collegium mapped out concrete measures to boost the struggle against organized crime and to prevent emergency situations.

It should be added that the discussion at the session was for the first time conducted in the official language, including the addresses by chiefs of the Interior Ministry directorates from Ukraine's southern and eastern oblasts and Crimea.

Prosecutor's Office Denies Foul Play in Patriarch's Death

LD2008103095 Kiev Radio Ukraine World Service in English 2100 GMT 19 Aug 95

[FBIS Transcribed Text] The Kiev city prosecutor's office circulated a statement on Friday 18 August concerning the investigation into the events surrounding the burial of late Patriarch of Kiev and all Ukraine Volodymyr [Romanyuk]. It said that in view of the relatively brief period, about a month, which elapsed since the start of the investigation immediately after the incident in St. Sofia Square involving the mourning procession and the riot police, any conclusions would be still premature, although definite answers could be given at once to some of the most burning public questions.

In particular, in order to dispel rumors surrounding the patriarch's death, the statement quoted the expert medical verdict on its cause, described as a chronic ischemic disease aggravated by chronic active hepatitis and brain hemorrhage. The statement went on to refute allegations about people having been killed by the antiriot police, and repeated figures published earlier as to the number of people injured.

According to the statement, legal proceedings have been started against several police officers at Shevchenkovskiy district department of the Ministry of Internal Affairs, on charges of abuse of authority by using physical force against detainees.

Justice Ministry Denies Registration to UNSD

LD1808163595 Kiev UNIAR in Ukrainian 1200 GMT 18 Aug 95

[FBIS Translated Text] Kiev — The Ukrainian Justice Ministry has denied registration to the UNSD (Ukrainian National Self-Defense public organization).

A UNIAR correspondent has been told that this was mainly due to inconsistencies in that organization's charter compared with the legislation in force in Ukraine.

The principal aim of the UNSD's activity (Paragraph 2.1 of its charter) is cooperation with law enforcement agencies in the organization and conduct of patrols and operational investigations etc., which is at variance with Article 1.3 of the Law on Public Organizations in Ukraine. This article rules that the public at large organize in associations on the basis of the unity of their interests for the joint exercise of their rights and freedoms. This clause in the organization's charter also contravenes Article 5 of the Law on Operational Investigations in Ukraine, which expressly states the agencies in charge of this activity.

As to UNSD local and regional branches, its charter lacks the definition of their objectives.

An appeal against the Justice Ministry's decision of 15 August 1995, can be made through a court of law.

UNA-UNSO Trial Adjourns in Disarray

WS1808120095 Kiev INTELNEWS in English 0055 GMT 18 Aug 95

[By Vasiliy Kurichenko, "Special to IntelNews"]

[FBIS Transcribed Text] Kiev, Aug. 17 — The government's attempt to ban the Ukrainian National Assembly (UNA) suffered a setback Thursday [17 August], when the district court judge trying the case postponed after failing to restore order among spectators in the crowded courtroom.

The far-right political party, which elected three members of Parliament from the western Lvov oblast, has incurred the wrath of Ukrainian authorities on several occasions — most recently through the prominent participation of its paramilitary branch, the Ukrainian National Self-Defense Organization (UNSO) in the July 18 riots outside of St. Sophia's Cathedral over the burial of Patriarch Volodymyr Romanyuk.

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The party is facing charges initiated by the General Prosecutor's Office for "formation of a paramilitary organization not envisaged by Ukrainian legislation" and its "calls for an armed seizure of power in Ukraine."

In addition, according to prosecutors, the party is responsible for the "participation of UNSO fighters in armed conflicts on the territory of some CIS countries, including Moldova's Transdniester region, Abkhazia, Georgia, Azerbaijan and Chechnya.

Thursday's proceedings were interrupted before they got started after Tetiana Kozyr, the judge trying the case arrived 25 minutes late to the packed courtroom, where all those wishing to be present, apart from some 30 journalists, had to stand both in the hall and in a corridor outside the hall.

Kozyr demanded that all those standing leave the hall, storming out herself after the audience refused to obey.

After a while, the session was transferred to another hall, where the representatives for the defendants did not appear. The session opened in their absence was postponed with the consent by the General Prosecutor's Office and the Justice Ministry.

Dmytro Korchynskiy, one of the UNA leaders, charged that the judge had not apologized for being late and violated civil code by not providing a large enough room for the trial. He also complained that the national symbols were absent from the hall, interpreting all this as indications of "disrespect by the court for the UNA, citizens of Ukraine and the Ukrainian state itself."

Nationalists Want 'Blockade of Dniester Region' Lifted

AU1808135095 Kiev MOLOD UKRAYINY in Ukrainian 17 Aug 95 p 1

[Unattributed report published under the rubric "Fact"]

[FBIS Translated Text] The Ukrainian Nationalist Assembly [UNA] intends, starting this coming fall, to actively seek the lifting of the blockade of the Dniester Region. "Our compatriots living there must be able, without any obstacles, to keep in touch with their relatives in Ukraine," stated Dmytro Korchynskyy [nationalist leader]. The statement was prompted by the trip to the Dniester Region made by UNA representatives. They met there with representatives of political and business circles.

Filaret Points to Church Rights in Privatization

WS1808121995 Kiev INTELNEWS in English 0055 GMT 18 Aug 95

[Report by Oksana Hasiuk]

[FBIS Transcribed Text] Kiev, Aug. 16 — Filaret, Metropolitan of the Kiev Patriarchate Orthodox Church, who is also serving as the church's acting patriarch, appealed to President Leonid Kuchma asking that state bodies take church interests into account during the privatization process.

"As it is known, the (pre-revolutionary) church owned not only houses of worship, but also land plots and other buildings," says the appeal. "It is possible today that the former church property which was expropriated by the state will appear in the hands of new owners."

Filaret said in his appeal that there are two models of financial and material provision for the funding of religious organizations. One option, according to the appeal, would be donations of believers and developed commercial activity of religious organizations under privileged conditions.

Another model, according to the statement, is believers donations together with state support.

"We understand that under current complicated economic conditions, direct state support of the 70 religions registered in Ukraine is excluded," the appeal said.

Filaret, however, said that while the rights all religious organizations should be taken into consideration, it is necessary to provide priority for traditional Ukrainian churches in privatization.

Economic Issues

Kuchma Visits Gas Shelf, Urges Development

WS1808120195 Kiev UT-1 Television Network in Ukrainian 1800 GMT 17 Aug 95

[Report by unidentified UT-1 reporter]

[FBIS Translated Excerpt] [Reporter] As has already been reported, Ukrainian President Leonid Kuchma is on vacation in Crimea. However, 17 August was his regular working day. The president visited one of the wells of the Chornomornaftohaz [Black Sea Oil and Gas] state enterprise.

As we know, gas supplies remain an urgent problem in Ukraine, particularly in the Republic of Crimea. However, there will be no progress if we do not seriously address the issue of drafting a national program for the production of oil and natural gas in Ukraine. Therefore,

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in the morning the Krym vessel set sail to the Shtormove gas condensate deposit in the Black Sea carrying a very distinguished delegation aboard. The delegation was comprised of President Kuchma, Crimean Prime Minister Anatoliy Franchuk, Cabinet of Ministers Minister Valeriy Pustovoytenko, the Chornomornaftohaz management, representatives of the British (JKX) company, which has displayed interest in the deposit, and officials from the European Bank for Reconstruction and Development [EBRD].

Experts already highly assess the prospects of the Shtormove deposit. The president readily acknowledged that he had never visited a similar facility before. Familiarization with the deposit was not meant solely for attending a pleasant ceremony — that of launching well No.7 accompanied by lighting the traditional torch. The principal goal was to determine what has to be done immediately for Crimea to have its own gas. While Crimeans annually need around 2 billion cubic meters of gas to meet demand, under favorable circumstances, which includes financing, full independence of the Chornomornaftohaz company, and credits issued by the EBRD, around 1 billion cubic meters of gas can be produced in Crimea itself. As for the resources of the Black Sea shelf, experts cite a figure between 1.5 and 2.4 trillion cubic meters.

[Kuchma] We need a separate program regarding the Black Sea basin. We should not scatter our scanty funds all over Ukraine, given that Crimea is the most promising region in terms of oil and gas. Therefore, we will look for funds, because Ukraine's independence cannot exist as long as we do not have independent power engineering, primarily energy resources — oil and gas.

[Reporter] Mr. Franchuk, I understand that it is very important for Ukraine, and particularly for Crimea, that work on the shelf be conducted properly.

[Franchuk in Russian] [passage indistinct] As President Kuchma just pointed out, once we really have a national program — and this kind of program will be drafted, given that the president has already issued appropriate orders — this will be the kind of remedy Ukraine now needs most of all.

[Reporter] Will we have some kind of serious national program for the use of Ukraine's domestic natural resources?

[Kuchma] In fact, there is such a program. However, it lacks precisely outlined priorities. The main thing is to support that program with resources — both domestic and foreign, without which we cannot do it. We are going to work toward that goal. As you see, we have British businessmen here today, as well as the EBRD executive director.

[Reporter] Thus, the prospects are normal.

[Kuchma] The prospects are very normal. We must not waste time, which we do not have. [passage omitted]

Resolution Provides Guarantees to Foreign Creditors

LD1808205795 Kiev UNIAN in Ukrainian 1825 GMT 18 Aug 95

[FBIS Translated Text] Kiev [no date as received] — The Cabinet of Ministers of Ukraine has approved a resolution "On additional guarantees or other liabilities of the government provided to foreign creditors as regards repayment of credits in foreign currency, which are obtained by Ukrainian businesses." UNIAN has learned this from well-informed sources at the Ukrainian Government.

Under the resolution, the Currency and Credit Council at the Cabinet of Ministers will consider issues of providing guarantees or other government liabilities to foreign creditors in order to ensure that the debts of Ukrainian businesses under foreign currency credits that are obtained on the basis of currency self-accounting are settled, under condition that the above legal entities and the State Export-Import Bank of Ukraine or any other financial agent authorized by the government conclude credit agreements and other contracts and agreements on pledge.

The Currency and Credit Council has the right to submit for the consideration of the Cabinet of Ministers documents dealing with the provision of guarantees or other government liabilities to foreign creditors.

Under the resolution, the cost of the property put in pledge should cover the sum of the main debt and the interest charged on it, the cost of the use, administration and insurance of a foreign credit, as well as any expenses incurred as a result of meeting the demand secured by the pledge.

The State Property Fund of Ukraine evaluates the property put in pledge and the Ministry of Finance of Ukraine evaluates property rights and securities.

NBU Chairman: Currency Market Situation Under Control

LD1808175195 Kiev UNIAN in Ukrainian 1450 GMT 18 Aug 95

[FBIS Translated Text] Kiev [no date as received] — The situation on the currency market was and remains under control. Since 29 July, when the National Bank

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of Ukraine [NBU] began to trace the tendency toward the devaluation of the national currency, it has been an active participant in the process of stabilization. Over this period, the NBU has spent $34 million for interventions. This is how Viktor Yushchenko, the chairman of the National Bank of Ukraine commented on the stand taken by the bank in connection with the fluctuations in the currency exchange rate at a briefing on 18 August.

Yushchenko said that "July was a unique month," when the anticipation of a monetary reform, payments to educational workers, and a tendency toward inflation against the background of growing wages coincided in time.

Besides, changes in the procedure of paying value added tax and excise duty on imported goods, and a ban on the circulation of foreign currencies also influenced the process of the karbovanets' devaluation.

However, Yushchenko believes that all the financial stabilization measures taken by the National Bank of Ukraine "produced a positive effect only."

He said the true level of the karbovanets' devaluation could have been much higher if the NBU were not conducting its own policy.

According to the chairman of the board of the NBU, the main bank of Ukraine has reduced the volume of interventions to a minimum and has become the main buyer on the foreign currency market. Therefore, the situation on the currency market and within the banking system as a whole has been virtually stabilized.

Banks Report Downturn in Second Quarter

WS2108110395 Kiev INTELNEWS in English 2103 GMT 20 Aug 95

[By Ihor Zhyhir, from the "Economic Review"]

[FBIS Transcribed Text] Ukrainian commercial banks reported on their achievements after finishing the second quarter of 1995.

About 200 such banks operate in Ukraine: 84 of them provided the Association of Ukrainian Banks (AUB) with second quarter results.

Despite absence of any serious disturbances or panic on the finance and credit markets, most of the bankers stressed that Ukraine's banking crisis continues. This crisis, caused both by difficulties of economic reforms and fragility of Ukraine's banks, led to banks' loss of solvency, violation of economic indicative figures established by the National Bank of Ukraine (NBU), decline of credit activity and, eventually, to unprofitable banking.

According to Antonina Palamarchuk, AUB vice president, bankers said industrial production decline and credit repayment delays worsened the crisis and led to a decrease in income. Problems on the interbank credit market are another headache for bank governors.

"The serious threat for banking is the growth of overdue debts. The bankrupt banks using interbank credits sink other banks, too," according to Palamarchuk.

BANKING AND BITCHING

By May 1, overdue debts totaled KBV13.9 trillion and the extended debts equaled KBV10.3 trillion.

Generally, according to second quarter results, 54 banks had losses, 19 were non-solvent and 12 were non-liquid.

In addition, bankers complained about the absence of mortgages in Ukraine. Now, in order to get the right for state-owned enterprises to mortgage property, the State Property Fund's authorization is required. Even after all this, commercial banks experience numerous problems trying to sell the mortgaged property; payments to the budget and notary fees often are so great that the leftover is not enough to repay the debt.

The bankruptcy mechanism for enterprises-debtors is also undeveloped; commercial banks are not likely to trust even insurance companies as the latter are unable to guarantee credit repayments.

Due to this, some banks have to carry out a risky credit policy and this does not help stabilize the financial state.

Bankers also complain about two NBU policies: the requirement of an authorized fund valued at least ECU200,000 to get a license for hard currency operations, which disallows some commercial banks from carrying out currency operations on the market; and the compulsory interest rates correction mechanism upon changes of the NBU's discount rate, introduced May 1.

From May 1 to July 1, the discount rate was corrected twice and dropped from 96 percent to 75 percent. Now the discount rate is 60 percent.

"The banks understand the necessity of the NBU discount rate decrease but consider that it should be done gradually, without steep lowering," Palamarchuk said.

BANKING'S BETTER DAYS TO COME

Despite these difficulties, Ukraine's banking system is starting to change.

Primarily in buying the state securities. Commercial banks got the right to purchase the state bonds not only for its own funds but also using drawn funds. Second, the bonds become more attractive with the NBU's lower

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discount rate. Third, the amount of required commercial banks' reserves is decreased by the value of purchased state equities. The first auction, which took place on March 10, gathered 11 banks and the fourth one on June 16 attracted 38 banks.

According to Governmental Resolution #408, the second release of state bonds is planned; the loan sum is KBV25 [karbovantsi] trillion.

The National Bank of Ukraine resolution on requirement of authorized funds increase forced the banks to carry out additional emissions. For instance, HradoBank announced a KBV9.6 billion shares issue. By July 1, the authorized fund of HradoBank comprised KBV3.98 billion, according to the analytical information center Bank-Inform of the AUB.

The interbank currency market continues developing. The amount of money transferred through the Ukrainian Interbank Currency Exchange for the past half year comprised US$1.55 billion. The credit card and traveler's check service network is broadening. In July 1995, 17 major commercial Ukrainian banks formed the UkrCard closed joint stock company in order to create the national plastic cards circulation system.

Generally, the results of banking activities improved in the second quarter.

The total capital growth comprised 91.5 percent. Especially dynamic are the "second wave" banks. Particularly, the total capital comprised KBV30.3 billion and KBV58 billion on April 1 and July 1, respectively, up KBV27.7 trillion.

Authorized funds grew significantly as well. The former state-owned banks — Ukrayina, UkrSotsBank — retained their figures while others increased their indicators by 56.2 percent. The authorized funds of the banks included in the Bank-Inform report totaled almost KBV9.9 trillion.

Deposits to commercial banks grew by 17 percent, mostly due to citizens' deposits, which grew by 46.2 percent. The same figure for the first quarter was 6 percent.

The value of crediting grew by 52.6 percent, while overall assets value grew by 81 percent. It should be noted that most commercial banks changed their assets structure to adjust to the new conditions.

Compared to the first quarter, the overall profitability of banks decreased. For instance, assets profitability comprised 1.27 percent (the first quarter equaled 5.64 percent), capital profitability comprised 20 percent (the first quarter equaled 30.6 percent). The net income decreased by 5.6 percent. Experts note that the income decline is caused by former state-owned banks, while the "second wave" banks became more profitable.

The AUB officials said none of the commercial banks provided the NBU with a serious improvement program, leaving no banks eligible for stabilization credit. Still, the INKO bank negotiated with the NBU on getting such a credit worth KBV2.3 trillion.

Concerning the Vidrodzhennia bank, its situation is still problematic but there is hope that the improvement program for this bank will be approved by the NBU.

The highest credit growth rate belongs to Aval (201.4 percent); UkrSotsBank (171.6 percent), YugTokoBank (169.3 percent) and Ukrayina (169 percent) banks follow.

Concerning deposits, the highest growth rate belongs to other banks: LehBank saw 1,321 percent growth; First Ukrainian International Bank saw 600 percent growth; Nadra saw 342 percent growth and Aval saw 209 percent growth.

The "new wave" banks lead in the citizens' deposits growth as well: LehBank, up 2,667 percent; Pravex, up 1,027 percent; and Aval, up 299 percent.

Another extremely important figure indicating success of banking activities is the profitability indicator. The banks, leading by gross profit are Ukrayina, UkrSotsBank and HradoBank. The high-profit growth figures (compared to the first quarter) are shown by PerKomBank, HradoBank and VaBank.

The capital profitability indicators are the best for Aval, Ukrayina, VaBank and UkrSotsBank.

The assets profitability indicators are the best for AGGIO, VaBank, LehBank and Nadra.

The balance figures lead to some conclusions: for instance, rapid growth has to be noted for several recently registered banks — Antek, Nadra and YugTokoBank. The veterans, such as Ukrayina, HradoBank, First Ukrainian International Bank, PerKomBank and AGGIO are stable and confident. PrivatBank, Aval, VaBank and LehBank take measures on broadening their activities.

NEW MONEY, YOUNG BANKS

Bankers now face circumstances that are able to affect their activities and state in Ukraine.

First, due to a permanent NBU discount rate decline, which makes banks decrease their interest rates, there is a possibility for capital outflow to the Commonwealth of Independent States — Russia for instance. According to the AUB, the state has to protect domestic banks

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carrying out the protectionism policy on the capital market.

Second, the possibility of monetary reform and introduction of the new currency, the hryvnia, this fall worries bankers. Primarily because they want to have complete and precise information. In addition, rumors of several upcoming credit emissions, which can boost inflation, make banks nervous in the currency and credit markets.

On the other hand, according to Palamarchuk, the commercial bank reaction to the currency circulation as a payment tool ban, starting August 1, was peaceful.

Head of Antimonopoly Committee Holds News Conference

WS1808144195 Lvov MOLODA HALYCHYNA in Ukrainian 8 Aug 95 p 2

[Report by Halyna Myts: "There Is a Law Against Monopolists, Too" — first paragraph is MOLODA HALYCHYNA introduction]

[FBIS Translated Text] A news conference attended by Oleksandr Zavada, chairman of Ukraine's State Antimonopoly Committee who has arrived in Lvov on a working visit, was held in the office of the Lvov Oblast Council.

In the discussion with journalists, Mr. Zavada stressed that the painstaking process of establishing antimonopoly structures in Ukraine had been fully accomplished (the recent creation of the regional branch in the Autonomous Republic of Crimea was the final task for 1995). Currently, some 650 experts from the state's 27 territorial branches are working in this area.

According to Mr. Zavada, it was not an easy task to organize work of those branches — primarily given the absence of the structures on the basis of which this work could be conducted, and also because of the absence of legal and methodological bases.

Now about the laws. The antimonopoly legislation has also been formed in Ukraine. The Supreme Council passed quite recently the final long-awaited document — Amendments to the Law on Limiting Monopoly. The notion of an economic entity has been introduced (which is expedient for controlling privatization processes); and indexation and improvement of the system of penalties has been accomplished. Currently, fines for violation of the antimonopoly law are nearing world standards, and constitute approximately 5 percent of an enterprise's receipts. The point is that from now on the hands of the employees of the antimonopoly field are free for undertaking dynamic and decisive activities against dishonest enterprises and entrepreneurs.

What precisely has been done during the period of the Antimonopoly Committee's existence? Primarily the lists of enterprises-monopolists have been approved, which in the future may be only corrected in accordance with the situation on the market.

Second, the Antimonopoly Committee monitors the privatization processes and in particular cases makes certain requirements to the bodies which deal with privatization. According to the Cabinet of Ministers decision and the presidential decree on activation of the process of small privatization, demonopolization should be conducted in those enterprises where it is possible and expedient.

Currently, we can admit that the antimonopoly law is beginning to operate much more decidedly. For instance, the same number of cases of violation of the antimonopoly law were examined during a recent month of 1995 as during the entire previous year. As for the first six months of 1995, there have been 680 such cases.

Among our region's monopolists, Oleksandr Zavada cited the "Farmatsiya" ["Pharmacy"] production association, the "Lvivkhlib" ["Lvov Bread"] amalgamation, the "Zakhidenerho" ["Western Ukraine Energy"] amalgamation, and others.

A gratifying fact is that the employees of the antimonopoly structures have acquired a very reliable ally: Life itself conducts demonopolization. New enterprises are being established, and monopolists meet with competitors. The opening of bakeries in many villages of Ukraine illustrates this process in the best way.

In parallel, the process of neutralizing monopolists is being conducted by another method. The "Zaporizhmoloko" ["Zaporizhzhya Milk"] company is being liquidated. Currently, the Antimonopoly Committee is looking at such structures as the "Ukrtsukor" ["Ukrainian Sugar"], the "Holovryba" ["Main Fish Comany"] and others that are in need of essential modernization.

During the news conference, the journalists expressed interest in the issue of dishonest commercials in the media. Mr. Zavada admitted that not everything in this area was well considered. Unfortunately, companies currently even prefer to violate laws and pay symbolic fines. We have many times come across the fact that a "punished" advertiser would print his advertisement in another publishing company a week later. In addition, the chairman of Ukraine's Antimonopoly Committee pointed out that there are plenty of dishonest commercials in Ukraine. And directly before his departure, he ordered an examination of the "Raznoeksport" commercials, which claim that the company has privatized the Lisichansk-based oil refinery.

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Deputy Prime Minister Briefs on Grain Procurement

WS1808115995 Kiev UT-1 Television Network in Ukrainian 1800 GMT 95

[FBIS Translated Text] The Cabinet of Ministers conducts the formation of Ukraine's food resources by economic rather than administrative methods. Petro Sabluk, deputy prime minister for the agro-industrial complex, assured participants of this in a briefing on 17 August, proved it by citing figures and facts. Our correspondents provide further details.

As Petro Sabluk reported, the state contract for grain amounts to 10 million tonnes.

[Begin Sabluk recording] We have made an advance payment for 5 million tonnes of grain, for which funds had been found in the state budget. As for the remaining 5 million tonnes, there was a condition inserted into the state contract that we would make an advance payment for 50 percent of grain, and the other 50 percent we would buy in installments, as soon as the state finds funds. Currently, the state has no funds to pay in one lump sum for the other 5 million tonnes of grain. All I can say is every cloud has a silver lining, given that it is one thing to sell currently all the grain for a wholesale price of $100 [per tonne], and another thing is that the same grain — I have a hope in God that this will not happen — may cost $200 in April 1996. However, by that time we will have bought it from farmers for $100, providing we deal with this issue this year. Meanwhile, in April farmers will have to purchase fertilizers and seeds at prices which will be determined in accordance with the price for grain. Thus, as we sometimes say, misfortune is sometimes helpful. We are asking, the state is asking farmers to deliver grain to elevator systems; since we have plenty of those facilities, we will store grain for free, and we will sell it with your help. In addition, the state is becoming one of the partners, one of the brokers, since the state will be buying grain at the actual price as of February or April at the commodity exchange in proportion to the funds, and in proportion to the turnover of the 5 million tonnes of grain that we have already purchased. [end recording]

Grain producers who have signed state contracts can merchandise their products abroad after they fulfill their contract with the state. The Cabinet of Ministers special resolution provides more details on this issue.

Resolution on Measures To Secure Grain Deliveries

WS2108110995 Kiev VYBIR in English 0845 GMT 21 Aug 95

[Ukrainian Government Resolution No. 652 "On Measures To Complete the Harvesting Campaign, To Form Food Resources in 1995, and To Prepare for the Harvesting Campaign of 1996"; from the "Ukraine in documents" feature No. 33 21 August 1995]

[FBIS Transcribed Text] In order to secure grain supplies under the State Contract, to form food resources in 1995-96, to complete this year's harvesting campaign, and to get prepared for the harvesting campaign of 1996, the Cabinet of Ministers of Ukraine hereby resolves:

1. The fulfillment of the [previously] concluded State Contract on grain supplies by agricultural commodity producers with all forms of property shall be mandatory.

Grain supplies under the State Contract, advanced with funds and material and technical resources, shall be made to procuring organization, and shall be made state property. The unadvanced supplies shall be made into the federal reserves, and shall be accepted for free guaranteed safekeeping by procuring organizations; payments shall be made to suppliers in proportion to the marketing of grain, at prices set by the Ukrainian Agrarian Exchange on the date of transaction.

The Ministry of Agriculture and Foodstuffs, jointly with the Ministry of Economy, the Ministry of Finance, and the National Bank, shall within one week develop the mechanism of payments for unadvanced grain supplies under the State Contract.

2. The Government of Ukraine shall guarantee payments for unadvanced grain supplies under the State Contract, in proportion to marketing this grain. Final settlements shall be made not later than May 1, 1996.

The Ministry of Finance shall make allocations from returns from the budget loan used to finance the State Contracts of 1994 and 1995.

Grain export (Code TN ZED 10.01-10.08) by agricultural commodity producers with all forms of property, bound by State Contract, shall be allowed provided they have settled all accounts on advance payments for supplies to federal reserves for guaranteed free safekeeping, on account of unadvanced supplies under the State Contract.

Grain import shall be made at costs not lower than those formed at the latest tenders of the Ukrainian Agrarian Exchange.

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The Ministry of Agriculture and Foodstuffs shall, not later than the second workday, advise agricultural commodity producers and other interested organizations on prices formed at the latest tenders of the Ukrainian Agrarian Exchange.

3. The National Bank shall be recommended to develop, before August 16, 1995, jointly with commercial banks, measures of effective credit support of agricultural commodity producers, processing and servicing enterprises, with due regard to the need in credit covering of the seasonal gap, in terms of production expenses and proceeds from marketed products, and arrange for guaranteed redemption of credits.

4. The Ministry of Agriculture and Foodstuffs, the Ministry of Economy, the Ministry of Finance, and the State Export-Import Bank shall secure, within one month, the activation of credit lines of the Eximbank (US) and the Government of Japan, to the tune of $225,000,000 million, in order to meet the needs in critical import goods and material-technical resources to provide for the autumnal farming campaign in the current year, and the 1996 harvesting campaign, primarily in regard to agricultural commodity producers which have supplied grain under the State Contract.

5. The Ministry of Agriculture and Foodstuffs, the Ministry of Economy, and the Ministry of Finance, jointly with the National Bank, shall:

— Resolve the matter of purchasing grain, in return for ready cash, from the population, on account of the State Contract;
— Open special account "Harvest'95" for agricultural commodity producers with all forms of property, in order to accumulate funds for the autumnal farming campaign, and enter on this account 30 percent of proceeds from marketed products (works, services), which money shall be used only for 1996 harvest purposes, specifically on material-technical resources. This account shall be immune to any claims and/or liabilities.

6. The Ministry of Agriculture and Foodstuffs, the Ministry of Economy, the Ministry of Finance, and the State Committee on Food Industry shall develop, before August 20, the procedures of acceptance and processing of sugar beet, and of settlements between sugar refineries and sugar beet suppliers.

7. The Government of the Autonomous Republic of the Crimea, Regional, Kiev and Sevastopol City State Administrations shall determine the amounts of products supplied by plant and cattle breeders to be purchased on account of local budgets, circulating assets of procuring and processing enterprises, bank credits and funds provided by business structures, and in return for other products, in order to secure guaranteed food supplies and saturation of the consumer market.

8. The Ministry of Agriculture and Foodstuffs, the Ministry of Foreign Economic Contacts and Trade, the Ministry of Economy, the Ministry of Fisheries, the State Committee on Gardening, Viticulture and Winegrowing, the Government of the Autonomous Republic of the Crimea, Regional, Kiev and Sevastopol City State Administrations shall step up efforts aimed at creating and expanding a network of specialized stock exchanges, trading houses, dealers' offices and brokerages, wholesale markets and fairs, in order to secure commodity producers with all forms of property free access to the market of agricultural products and raw materials.

9. Control over the observance of this Resolution shall be the responsibility of P.T. Sabluk, Vice Prime Minister of Ukraine.

Signed: Yevhen Marchuk, Prime Minister of Ukraine. M. Selivon, First Deputy Minister of the Cabinet of Ministers of Ukraine.

Shipbuilding Industry Stable Despite Economic Crisis

LD2008214595 Kiev Radio Ukraine World Service in Ukrainian 2100 GMT 20 Aug 95

[FBIS Translated Text] The shipbuilding industry is one of Ukraine's priority sectors, which remains stable under the current economic conditions, and builds ships that are competitive on the Ukrainian market. This year alone, this sector had orders worth $350 million. However, the sector is being affected by the rise in the cost of raw materials and energy, and insufficient circulating funds and reliable investments. These difficulties were discussed at the recent meeting chaired by Anatoliy Kinakh, Ukraine's deputy prime minister for industrial policy.

'Critical' Situation in Electricty Supply Forecast

WS2108085895 Kiev INTELNEWS in English 2103 GMT 20 Aug 95

[FBIS Transcribed Text] Kiev, Aug. 18 — The Ukrainian electricity-generating industry faces such a critical situation that the nation may only be provided between four to six hours of power per day, mostly at night, Yuriy Nasedkin, deputy energy minister said late last week.

The crisis is due to a lack of fossil fuel for non-nuclear electric plants, Nasedkin said.

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"Only two out of six to eight power units work at the power plants and at reduced capacity," Nasedkin said.

With Russia's help, Nasedkin said, Ukraine has been able to maintain a 49.5 Hz power grid frequency. If Russia pulls out, he said, the automatic system controls will start switching off consumers.

Nasedkin said non-payment is the culprit. Of an expected KBV2 trillion, only KBV1.2 trillion was received, he said. Forty percent of industrial enterprises and 60 percent of agricultural enterprises do not pay for electricity, Nasedkin said.

Synthetic Diamond Industry Detailed

WS2108094095 Kiev INTELNEWS in English 2103 GMT 20 Aug 95

[By Oleksandr Rozhen and Andrea Faiad, from the "Econmic Review"]

[FBIS Transcribed Text] There's one bright spot in Ukraine's economic future is totally artificial. In an economy that is still struggling to its feet, producing man-made diamonds may help Ukraine see immediate multi-million dollar profits, according to specialists from the Kiev-based Bakul Super Hard Materials Institute.

In July, a prominent Japanese diamond buyer announced plans to double purchases over the few thousand diamonds it currently buys from Ukraine. But like so many other spheres of the country's economy, there's a lot of modernizing and financial backing to be done before diamonds enrich Ukraine.

THE 200-MILLION KARAT COUNTRY

Ukraine's annual production of artificial diamonds dropped by half since its peak in the late 1980s, according to Bakul. Although the figures were kept confidential at the time, according to the Bakul Institute, Ukraine annually produced about 200 million karats (or 40 tons) of synthetic diamonds. That accounted for about 70 percent of all production in the former Soviet Union.

But after its independence, Ukraine began rebuilding its artificial diamond industry. Gone are the rich Soviet government subsidies and supplies. Now, Ukraine needs hefty investments and up-to-date western technology to rebuild.

Still, in spite of the economic crisis, Ukrainian scientific centers and enterprises participating in the Super Hard Material Association are among the leading synthetic super hard materials producers, following General Electric of the United States and DeBeers of South Africa.

"In production and quality of the upper half of the SHM brands, Ukraine leads the world," said Volodymyr Bondarenko, vice president of Super Hard Materials Association. "Here the powerful research and development and industrial potential for production of synthetic diamonds, cubic boron nitride, their powders, mono- and polycrystals, composite materials, containing synthetic diamonds and cubic boron nitride has been developed."

The produce is used in tools, depreciation-resistant elements of machinery and elements of electronics.

The Bakul Institute and its research plant, using the technology its Poltava plant (the world's largest), as well as the Lvov and Boryslav plants produce synthetic diamonds, cubic boron nitride and tools to satisfy the demand in Ukraine, Russia and other former Soviet republics.

More than 9,000 companies throughout the former Soviet Union still use Ukraine's artificial diamonds in machinery, electronics, mining, defense, construction materials and oil and gas drilling.

HOME-MADE DIAMONDS

The synthetic diamond manufacturing process was developed in the former Soviet Union in the 1930s but an American company was the first to patent diamond synthesis.

After much legal ado, it was decided that the American company would retain the patent and the Ukrainian institute would have the right to sell its diamonds throughout the world, including the United States.

But big profits for Ukraine have not yet appeared. Although world prices for Ukrainian synthetic diamonds could annually equal US$ 100 million and with tools US$ 1 billion, Ukrainian revenue is lacking from these exports, said Bakul Super Hard Materials Institute leading expert Mykola Novikov. He is also a member of the Scientific Board of the Center for Technological Superiority in Japan.

The post-independence economic crisis caused a decline in the productivity potential of the Ukrainian synthesis industry and cut demand for diamond saws for stone processing industries of Russia, Kazakhstan, Uzbekistan and Kyrgyzstan, Novikov said. Plus the technology of Ukraine's equipment and mechanization systems and management production is outdated, he said.

Up to US$ 15 million is needed to improve the industry's equipment while capital assets value is US$ 300 million. "It is necessary to redirect the Ukrainian [artificial diamond] industry toward world efficiency criteria," Novikov said.

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To do that will include keeping the industry's 7,500 employees. Stopping the brain drain of qualified people leaving the country will depend on making Ukraine's diamond industry a stronger world competitor, he said.

"Labor expenditures and productivity do not comply with the achievements of General Electric and DeBeers, so [Ukraine's] products become non-competitive," Novikov said.

PRIVATIZATION PROBLEMS The necessity of foreign investments raises problems of how to pry the state-owned diamond industry away from the state. Yuriy Yekhanurov, State Property Fund chairman said privatizing the National Academy of Sciences (NAS) will have to happen by the books.

But Serhiy Ryabchenko, State Committee on Science and Technology chairman, said there are loopholes the NAS can use to pursue privatization.

Novikov has an alternative answer to the privatization.

"The state transferred the property to the academy without a right to change forms of possession, which definitely impedes progress. Also there is non-compliance with current regulations. It was also possible, and still is, to sell a car or a bench belonging to the academy. So, what cannot be sold?" he said.

ALKON A-OK

In June the NAS presidium approved formation of AlKon, a financial-industrial group and formerly part of the Scientific and Technological Diamond Concern, with Novikov appointed as general director.

Borys Paton, NAS president, and Novikov said privatizing diamond production will be a test run on privatizing other academy institutions.

"All this allows to activate the work, ease establishment of connections with foreign partners, as earlier they avoided investing in state-owned enterprises and, in particular, the synthetic diamonds industry," Novikov said.

"I think that the Presidium of NAS and SHM institute have considered all the difficulties and benefits of this association and work towards maximum output as a result of the project," he said.

SUPER HARD SELL

Ukraine's independence took some of the sparkle out of its diamond-production industry, according to specialists.

Before the major market for the Ukrainian diamond industry were enterprises of the former Soviet Union. But now Russia is rapidly creating its own super hard materials industry and it promotes immigration of Ukrainian specialists.

"There is substantial and stable interest in our work shown by Chinese specialists and some joint ventures are already working. There is a joint laboratory of ceramics in India," Novikov said. "The hard alloys products are exported to Israel, diamond powder to Europe. Here, Italian and Swiss companies represent our interests," he said.

In a joint project with one foreign firm, the Institute developed technology for introduction of diamond-like covers on organic films, providing a unique system — a soft plastic film covered with a hard diamond-like film, Novikov said.

Now there are talks on possible cooperation and joint ventures with the Japanese, Canadians and others. Significant interest is shown by foreign partners in cooperation with Ukrainian scientists to develop new production techniques of super hard materials in Ukraine, Novikov said.

DIAMONDS 1, 2, 3

The major first actions are establishment of links with artificial diamond producers in the United States, South Africa and Japan, including De Beers, General Electric and Global Diamond, according to Novikov.

In July the Japanese company Global Diamond announced its intention to increase purchases of artificial diamonds from Poltava. The final agreement depends in part on Ukrainian diamonds meeting Japanese standards.

Several projects with relatively small funding can serve as a platform for the first stage. The second stage supposes formation of a special fund for investment in small and joint ventures for super hard materials and related production. This fund can include shares of national intellectual and industrial property, financial participation of domestic and foreign businesses, banks, legal basis, state guaranties and governmental protection policy. This fund can total up to US$ 20 million, according to Novikov.

Based on favorable credits and investments, the small enterprises, joint-stock companies, cooperatives will be able to develop with application of Ukrainian technology and training of specialists. The second stage provides rearrangement of the state potential in order to increase its effectiveness and improve equipment. Implementation of this stage will allow choosing competitive types of products and elaborate the export policy

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oriented to production and, primarily, demand in Europe and Asia, according to Novikov.

Overall initial investments to cover this stage's expenditures may be estimated at US$ 100 to 150 million. This money can be acquired as credits or investments to joint ventures. Experimental "open doors" mode for the diamond branch will allow an increase of foreign investments and accelerate accomplishment of the second stage, according to Novikov.

And, finally, the third stage — the primary task of the elaborated concept is formation of powerful research and development and productive potential of Ukraine for development, satisfaction of domestic needs and an increase of exports of synthetic diamonds, cubic boron nitride and tools made of them.

After these stages are implemented, Ukraine will be able to produce up to 150 million karats or 30 tons of synthetic diamonds and its derivatives. Perspective distribution is 50 percent for domestic needs, 25 percent for clearing trade with neighboring countries and 25 percent for hard currency exports to the world markets.

Overall value of the artificial diamonds produced in Ukraine can be US$ 200-250 million; tools made of them, US$ 500-700 million; and the new goods created with use of the latter, US$ 2 billion, according to Novikov.

This will allow formation of a strong basis for diamond science and to retain Ukraine's status as the third greatest world producer. Research and development expenses will comprise up to 15 percent of the overall technical needs. But delays in deployment of the program might result in Ukraine's loss of potential diamond markets of somewhere between US$ 100 million and US$ 1 billion, according to Novikov.

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Belarus

Lukashenka Holds Meeting on 'Ensuring Stability'

LD1808171295 Minsk Radio Minsk Network in Belarusian 1600 GMT 18 Aug 95

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka held a planning conference today. Taking part in it were the ministers of defense and internal affairs, the chairman of the State Security Committee, and the secretary of state of the Security Council. The main directorate of sociopolitical information of the presidential administration announced that the conference discussed current questions of the political and economic situation in the country and problems of ensuring stability in society. The president gave specific instructions to the power ministers to ensure strict fulfillment of the constitution and laws of the republic, to maintain civic order both in the capital and on the whole territory of Belarus.

Interior, KGB Urged To Enhance Crime Fighting

WS2108091795 Minsk BELAPAN in English 0710 GMT 21 Aug 95

[FBIS Transcribed Text] The Belarusian Cabinet commissioned the Ministry of Internal Affairs, the KGB and the State Customs Committee to work out proposals on making changes in the current legislature to strengthen struggle against economic crime within two months. Within the same period of time a draft President's decree on providing the security of the state monetary system should be elaborated. These as well as other measures envisaged by the resolution of the government are to be taken to strengthen struggle against economic crime and normalize the situation at Belarusian border control stations. In particular, the new regulations will forbid employees of the State Customs Committee, the General Board of the Frontier Troops, the Ministry of Internal Affairs and the KGB to have cash including hard currency with them at border control stations. According to the resolution, sales of non-ferrous metals, vehicles, tobacco and alcohol as well as export of strategic production are planned to be inspected in the near future. Moreover, the resolution commissions responsible bodies to eradicate irregularities at border control stations in the North-Western and Southern sectors of the State Border of the Republic of Belarus.

Deputy Prime Minister on Minsk Metro Strike

LD2008141695 Moscow INTERFAX in English 1314 GMT 20 Aug 95

[FBIS Transcribed Text] MINSK, Aug 20 (INTERFAX-WEST) — Workers of the Minsk metro in Belarus continued on Sunday the strike they began on August 17, reports an INTERFAX-WEST correspondent. The strike was caused, according to trade-union leaders, by the fact that the metro authorities had failed to fulfil the trade agreement between the work collective, the administration and the trade union. The strikers demand that the metro chief be fired, that the delayed bonuses be paid and the wages be indexed by 1 percent for each day of delay.

Deputy Belarusian Prime Minister Mikhail Myasnikovich, speaking on Saturday [19 August] night over the republic's TV, said that 16 train drivers who had been fired on Friday for taking part in the strike, would not be reinstated. According to him, they were fired in full compliance with law, because they had been absent from their work places for more than three hours without good reason.

The strikers' attempt to hold an non-sanctioned rally in the center of Minsk, in front of the building, which houses the headquarters of the free trade union, was curbed by the city authorities, which ordered that the venue be cordoned off.

The press service of the republic's state security committee described the actions by the free trade union which initiated the strike as "an attempt to agitate the public and prove that they receive subsidies from overseas not for nothing."

Union Association Demands Pay Raises

WS2108085495 Minsk BELAPAN in English 0710 GMT 21 Aug 95

[FBIS Transcribed Text] The leadership of the Federation of Trade Unions of Belarus [FTUB] expressed anxiety about sharpening social conflict in society. The declaration reads that the presidium of the Council of the FTUB supported and will support fair demands to pay wages. "Taking no measures to improve the economic and social situation and bureaucratic attitude of some officials to satisfying grounded demands of workers provides a basis for actions violating legislature. In such cases one-sided punitive measures may not be taken", the initiators of the declaration consider. They also stress that the FTUB will demand that all agreements reached at the negotiations with the government should be implemented and consider that trade unions should act consistently and within the operative legislature.

Intellectuals Protest Removal of History Books

WS2108085395 Minsk BELAPAN in English 0710 GMT 21 95

[FBIS Transcribed Text] A group of well-known Belarusian writers: Vasil Bykaw, Nil Hilevich, Ryhor

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Baradulin, Svyatlana Aleksiyevich and others came out with a declaration concerning the President's Instruction on taking manuals published in 1992-95 out of the system of secondary and high education. According to the initiators of the declaration this is a "continuation of policy established by the referendum of May 14, 1995." The declaration reads, "The new step of the authorities is nothing more than an attempt upon spiritual and intellectual freedom of the nation and its future". According to the writers, the system of national education will be cast away to the past and will not be able to give the country spiritually free and highly educated people ready to live in the modern democratic world. Practically the implementation of the Instruction means that pupils and students will remain without manuals of history, of the language and of other humanities which form the self-consciousness. The statement reads, "It is an attempt to turn the history backwards though the experience of the European countries, even those surrounding Belarus witnesses that social and political experiments of the sort will sooner or later sustain a defeat."

Moldova

Prime Minister Says Economic Cuts Planned

LD1808130995 Moscow INTERFAX in English 1029 GMT 18 Aug 95

[FBIS Transcribed Text] CHISINAU, Aug 18 (INTERFAX) — Moldova's Prime Minister Andrei Sangheli declared that the government will undertake appropriate measures to cut all expenditures for maintaining the state apparatus. In an exclusive interview with INTERFAX Friday [18 August] he said that the government is developing a draft bill on reducing all management structures.

"Moldova and Romania have the most cumbersome management structures in Europe. The government plans to submit the project on apparatus reduction to the parliament this October and the legislature is to pass the decision," Sangheli underlined.

He said that this year Moldova has increased industrial growth in many spheres, industrial recession is being stopped and there is no talk about the government's resignation. He pointed to the peace and calm in the republic as the major achievement.

"Today the social-political situation is under control. The republic's supreme leadership should preserve its common sense in order to keep the situation calm, despite contradictions, and to solve all problems by means of a dialogue," Sangheli said,

He also reported that the government is considering the possibility of tax reform.

"Everybody complains of large taxes but nobody pays them. At present the government manages to collect only about 30 percent of taxes but if everybody paid in time then one could speak about tax reduction," Sangheli said.

Prime Minister, Ethnic Minorities' Leaders Meet

AU1808202495 Chisinau INFOTAG in English 1943 GMT 17 Aug 95

[FBIS Transcribed Text] Chisinau INFOTAG, 17/8/1995 — Moldova's Prime Minister Andrei Sangheli and other members of the government met on Thursday, 17 August, with representatives of the national minorities of the country.

The head of the governmental department for national relations, Zinaida Okunskaya, told the meeting that representatives of 91 national minorities live in Moldova. Sixteen of them created their cultural societies.

"There is no national discrimination or violation of human rights or the rights of national minorities in Moldova," Okunskaya said. She mentioned such problems as lack of office space, financial resources, and national press.

The spokesmen for the Russian, Bulgarian, Jewish, Armenian, and other cultural societies spoke in favor of education in national languages, of opening a Slavic university in Chisinau, and of publishing the PEDAGOGICAL JOURNAL in the Russian language. They also requested reduced taxation of ethnic and cultural societies, as well as of sponsors' assistance from abroad.

Svetlana Myslitskaya, chairwoman of the Ukrainians' Union of Moldova, said that the Ukrainian children in Ukrainian schools can receive only primary education in their native language, being forced to continue their studies in Russian because of lack of teachers and textbooks. Myslitskaya proposed to publish a newspaper in the Ukrainian, financed by the state.

Representatives of the national minorities pointed out the absolutely unsatisfactory level of teaching the official language in non-Moldovan schools. As a result of this, non-Moldovan boys and girls have big problems with entering higher education institutions.

Moldova's Prime Minister Andrei Sangheli believes that all the problems of the national minorities of the country can be resolved. At Thursday's meeting at the Chisinau House of Nationalities he said that "persistence, tolerance, and understanding are needed for this."

Sangheli stressed that the main problem that impedes the solving of all other problems is the shortage of budget

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resources. "Everybody complains that the taxes are high, but no one pays them. At present we manage to collect only 30 percent of the taxes. If everybody settled up his payments to the budget in good time, we could consider reduction of taxes," Sangheli said. He noted that the economic situation remains difficult, although the current year is the best one out of the last four years, and slight growth has been registered in some fields.

Sangheli said that government spending should be reduced, as "Moldova and Romania have the most cumbersome state management structures in Europe." A draft is being elaborated to considerably reduce the bureaucracy and government spending. The government is going to submit the draft to Parliament for consideration.

Sangheli mentioned the peace and calm as the major achievement of the republic. "Social and political situation is under control. We, the higher leadership, should have enough reason to preserve that stability and solve all the problems through dialogue. When we set about resolving complex problems we should remember the year 1992 [armed conflict in the Dniester region], and under no circumstances to allow that tragedy to repeat," the prime minister said.

Russian Troops Resume Destruction of Obsolete Arsenal

AU1808205195 Chisinau INFOTAG in English 1943 GMT 17 Aug 95

[FBIS Transcribed Text] Rabnita INFOTAG, 17/8/1995 — The blasting of mines, shells, and other ammunition of the Russian troops in Dniester was resumed on Thursday, 17 August, in a quarry about 30 kilometers from the town of Rabnita in the north-east of Moldova.

A representative of the limited contingent of Russian troops stationed in Dniester said to INFOTAG that the military plan is to destroy 600 mines and shells till the end of the month. Further storage of that ammunition presents a danger for the rest of the armament, the population, and the environment.

The chief of the Russian troops' headquarters, Major General Valery Yevnevich said that another 3,800 mines and shells are subject to annihilation, with a total weight of 150 tonnes. But the local administration opposes further blasts motivating its opposition by ecological reasons. If 600 ammunition units are destroyed this month, the total number of destroyed mines and shells will exceed 5,000 units. 4500 of them had been blasted in early July.

Sources in Tiraspol said that the Dniester Administration is not going to allow the annihilation of more than the above-mentioned 600 mines and shells. The local media claims that "the military deceive the authorities, destroying 'fresh,' and not obsolete ammunition."

Dniester 'Not Considering' Release of Ilascu

AU1908172195 Chisinau INFOTAG in English 1930 GMT 18 Aug 95

[FBIS Transcribed Text] Chisinau INFOTAG, 18/8/1995 — Dniester is not considering the issue of granting political amnesty to 1992 armed conflict participants, Grigore Maracuta, chairman of the Supreme Soviet of the unrecognized Dniester Republic, told INFOTAG. Maracuta said that Dniester might made such a good will gesture, but Tiraspol knows nothing about the amnesty law adopted recently by the Moldovan Parliament. According to that act, all the cases regarding the persons charged with 1992-1994 Gagauzia and Dniester-related criminal offences should be stopped.

"We could adopt a similar law, which, no doubt, would contribute to increasing trust and understanding between the two sides of the Dniester. But such a law should not become a mere political declaration. Specific categories of crimes should be indicated in that law," Maracuta said. He confirmed that Tiraspol "is ready to consider corresponding proposals, but discharge of Ilascu [Ilie Ilascu, jailed leader of pro-Chisinau Dniester Moldovans] group is out of the question. They committed felonies. They have been found guilty. They can not be compared to those who participated in the conflict by virtue of the existing circumstances, sometimes against their proper will," Maracuta explained.

Tiraspol Deputies Want Speaker Marakutsa To Resign

AU1808202595 Chisinau INFOTAG in English 1943 GMT 17 Aug 95

[FBIS Transcribed Text] Tiraspol INFOTAG, 17/8/1995 — The Tiraspol City Council at its session on Wednesday, 17 August, demanded the resignation of Grigoriy Marakutsa, the chairman of the Supreme Soviet of the self-styled Dniester Republic, and Vyacheslav Zagryadskiy, acting chairman of the Dniester Republican Bank.

The Tiraspol Council deputies accused Marakutsa and Zagryadskiy of "being under the Moldovan leadership's thumb" and "advocating the introduction of Moldovan leu in the region, which would mean, in the final analysis, the absorption of Dniester by Moldova."

Nikolay Buchatskiy, chairman of the Tiraspol City Council, said that "the economy defies government regulation, production decline continues, and a rapid

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division of the population is underway.... But, besides objective difficulties, certain leaders of the Supreme Soviet are to blame for the situation."

According to Buchatskiy, "the introduction of leu as means of non-cash transactions can lead to the liquidation of our republic." Deputy Alexander Radchenko, in charge of the Dniester official radio, noted that "having introduced the leu, we renounced our monopoly over our currency" and that "soon Dniester will be absorbed by Moldova economically and politically." "Moldova's debts to the West are used not for production, but for consumption, and Dniester will have to pay for others' debts," Radchenko claimed. Tiraspol deputies concluded that "the Dniester Supreme Soviet hastened to approve the leu agreement with Moldova, and that decision should be revised."

Responding to his critics, Zagryadskiy, who was present at the sitting, said that he "received the order to introduce non-cash leu as early as 1994, and the first move was to create a local cash center of the National Bank of Moldova.... The 5 July agreement on leu just legalized the existing situation."

Zagryadskiy said, however, that the official use of cash leu in Dniester is out of question.

Dniester President Igor Smirnov addressed the session and accused the Tiraspol deputies of ill-natured criticism and of not proposing concrete measures for overcoming the crisis.

Historians Call For Revision of Ukrainian Border

AU1908125895 Chisinau BASAPRESS in English 2146 GMT 17 Aug 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 17/8/1995 — A group of Moldovan historians made a declaration today regarding the activity of the Joint Moldovan-Ukrainian Commission for the Delimitation of State Borders Between Moldova and Ukraine. The first round of negotiations to draft a treaty was held in Moghiliov-Podolsk on 14 July. The parties consider it is high time to create a joint commission of historians, jurists, etc., who would give their opinion on the legal aspects of the USSR's Supreme Soviet's Decree No. 45 of 4 November 1990, "Regarding the Frontier Between the Moldavian SSR and the Ukrainian SSR." Only after this the Moldovan part should start negotiating.

"Bessarabia's southern Hotin, Ackerman, and Ismail regions, and North Bucovina were incorporated into Ukraine in 1940 after an arbitrary decision of Moscow, ignoring the opinion of the Moldovan leadership and its people's will," the release states. Its authors also insist to discuss "the circumstances in which the borders were traced and the necessity to repair this injustice of the [1940] Molotov-Ribbentrop Pact according to international norms."

Yevgenniy Levitski, charge d'affaires of Ukraine in Chisinau, stated to BASA that he respects "not some scientists' opinion, but Moldova's people will, which in March of last year voted for Moldova's independence within its present borders." According to him, "this must be taken into consideration first of all, then there is the official position of Moldova's leadership, which has no illusions regarding territorial claims to Ukraine." He specified that "thanks to this position the first round of negotiations was successful." "This group appeals to international norms, but makes declarations contradictory to them. Present relations between states are based on the Final Act signed in Helsinki, which confirms the postwar frontiers in Europe, frontiers established by the Paris Peace Treaty of 10 February 1947," Levitski stated. "The Molotov- Ribbentrop Pact lost its legal value in June 1941, when Germany attacked the USSR, and it's not serious to mention it today. Ukraine does not claim any regions from other states and does not accept such claims from anyone either." He also specified that declarations like this "are useless and destined to fail." According to the same source, the fact that "such declarations" are published on the eve of the Ukrainian premier's official visit to Chisinau "puzzles" one.

Plea for 'Land Market' To Speed Up Privatization

AU2108095195 Chisinau BASAPRESS in English 1930 GMT 18 Aug 95

[Interview with Zosim Bodiu, deputy minister of the Privatization and State Property Administration; place and date not given]

[FBIS Transcribed Text] Chisinau BASAPRESS, 18/8/1995 —

[Correspondent] According to the present legislation, Moldova's lands cannot be sold or bought until 2001, even if they are handed to peasants. However, a governmental decision from June of this year states that land owners united into agricultural associations may secure land lots. Though this decision was adopted, it's not enforced yet. Would you tell why?

[Bodiu] Indeed, despite the government's decision regarding privatization of land in agricultural associations, not a single acre of land has been privatized yet. On one side, local administrations ignore this decision, on the other, a release from the Ministry of Agriculture says "to wait a bit" until land will be privatized in each particular case. This release embezzled the government's

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decision because local clerks in charge "prefer" to obey the ministry's releases. The procedure of land privatization usually takes more than 45 days. In addition to this, land owners must pay about 100 lei and get into other troubles with formal procedures that might discourage them.

[Correspondent] It's clear that local authorities do not hurry to sell the land, hoping to obtain higher profits in the future. They know that the Parliament agreed to secure these lands against half of their price during this year. Do citizens wish to buy the land they own today?

[Bodiu] At present we have no general statistics regarding this question. However, 300 land lots are registered in Sangera, a suburb of Chisinau, and 324 owners asked permission of privatization. The same happened in Codru, where there are 708 petitions. There are 4,000 of them in Chisinau too. So that is not about unique cases, but many officials interpret privatization as they want and we cannot finish this process. Meanwhile, profiting from internal clashes in departments and different interpretations of laws, a lot of firms offer their services to extort money from population.

[Correspondent] In this case, can a citizen oppose a local administration's decision which comes in contradiction with a government's or parliament's decision?

[Bodiu] This is his right. Any member of a agricultural association must receive an owner's certificate after 10 days he or she submitted a demand and paid the land's cost. By the way, the situation regarding selling of land will be debated by the government next week. Penalties for unjustified procrastination are not excluded.

[Correspondent] Is land re-selling stipulated?

[Bodiu] Evidently, after the owner secures his lot, he may do whatever he wants with it.

[Correspondent] Many experts state that buying-selling operations cannot be practically implemented because there are no methods to evaluate the land's value, but to constitute a land market is impossible without a national survey...

[Bodiu] According to a presidential decree and a governmental decision, the National Agency of Survey and Booking has to be created. It's also stipulated to draft a National Account Book of Moldova's lands. It's not only about land's quantity but quality too. Without any strict statistics of lands, account book's drafting is impossible. This is very convenient because you cannot sell, buy, give as present, or inherit a land lot without it being correctly evaluated which would take into account the rights of future owners, state, or possible foreign investors.

[Correspondent] Is there any difference between foreign and local investors regarding land buying?

[Bodiu] For the time being we have no offers from foreign investors. I think there should be a difference in attitudes. Our people has been working on these lands since ever and must benefit from it more. It's something different when a foreigner claims the biggest wealth we got. This problem has to be debated by parliament.

[Correspondent] What are the prospects of land market creation in Moldova?

[Bodiu] The process of selling lands near people's houses, those of agricultural associations, and additional lands will constitute the future mechanism of a land market. I'm sure that governmental and parliamentary decisions will speed up the process of creation of a land market and will force the Parliament to modify the Land Code.

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Kazakhstan

Nazarbayev, Russia's Bolshakov Discuss Cooperation

LD1808164595 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 18 (INTERFAX) — Kazakh President Nursultan Nazarbayev and Russian Deputy Prime Minister Aleksey Bolshakov met tete-a-tete in Almaty on Friday [18 August] to discuss further cooperation between the two countries.

The two men expressed satisfaction at the initial phase of a three-nation customs union of Russia, Belarus and Kazakhstan and outlined the main points of the next one, Kazakh officials told INTERFAX.

They agreed that oil and gas production was the most promising area of bilateral cooperation.

At the same time, Bolshakov said the controversy over the Caspian Sea remained one of the stumbling blocks to effective cooperation. Agreement was reached that all littoral states must try to strike a compromise on a comprehensive Caspian deal.

The two sides also agreed to set up a mixed commission for citizenship issues following discussion of the problems of Kazakhstan's Russian-speaking community. The commission is expected to focus on the grievances of local Cossacks.

The Russian official also handed President Boris Yeltsin's personal message to the Kazakh leader.

Bolshakov and Kazakh Prime Minister Akezhan Qazhygeldin are expected to meet tomorrow to sign a bilateral protocol on the completion of the initial phase of the customs union agreement.

Joint Communique Issued on Caspian Sea

LD1908165295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 19 (INTERFAX) — All the problems connected with the Caspian Sea should be resolved by the five former Soviet republics adjoining the sea on the basis of consensus. This attitude is stated in the joint Russian-Kazakh communique issued during a visit to Almaty by the Russian delegation led by Deputy Premier Aleksey Bolshakov.

The two sides decided that there is a need to work out a convention on the legal status of the Caspian Sea, on the basis of which multilateral agreements will be signed on issues connected with navigation, with the use of mineral and biological resources, and with endeavors to protect and preserve the local ecological system, such as the efforts to raise the sea's water level.

As Kazakhstan's Deputy Foreign Minister Vyacheslav Gizzatov [name as received] told INTERFAX, an exchange of views between the Russian and Kazakh delegations "revealed similar approaches to four components of the Caspian Sea's legal status - navigation, fishing, ecology and biological resources." However, the diplomat said, differences in regard to the development of the offshore areas rich in oil and gas "hinder the efforts to resolve the problem of legal status compositely."

At the talks the Russian delegation presented its draft convention and draft agreements on navigation and on mineral and biological resources. Having studied the documents, the Kazakh delegation came to the conclusion that "the possibility of working out common attitudes to this issue is not ruled out," the diplomat said. Besides, there is a compromise version based on Russian and Kazakh projects prepared back in 1994, he added.

As Gizzatov told INTERFAX, in September Almaty will host a meeting of experts from the five countries adjoining the Caspian Sea to discuss these problems.

According to Russian specialists, the problem of developing the offshore oil fields will remain a sticking point at the talks between the parties concerned, if the Caspian Sea's status is not determined.

The recent visit to Kazakhstan by the Turkish Prime Minister Tansu Ciller, during which the two sides signed a protocol of intentions to form an international joint-stock company for building a pipeline to the Mediterranean through Turkey, also displayed her country's "heightened interest" in the problem of transporting petroleum from those fields.

Second Stage of Customs Policies Work Begun

LD1908164295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 19 (INTERFAX) — Russia and Kazakhstan wrote the bottom line under the first, and opened the second, stage of work on unified customs policies.

Russia, Kazakhstan and Belarus agreed to take stage-by-stage action for the formation of a customs union back in 1994.

A protocol signed by Russian Deputy Prime-Minister Aleksey Bolshakov and Kazakh Prime-Minister Akezhan Qazhygeldin Saturday [19 August] in Almaty, says that the three republics will move yet closer to unified policies in the fields of the control of currency operations, credit and monetary relations and foreign trade tax legislation.

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The Russian and Kazakh delegations agreed that a working group would soon focus on the transfer of cuustoms checkpoints from the joint to external border. This is what Russia and Belarus did last May to mark the completion of the first stage of work on unified customs policies.

A schedule of further efforts is to be specified by Russian and Kazakh emissaries before the beginning of next month.

The second stage aims for the creation of equitable conditions for industrial producers in Russia and Kazakhstan and "a legal foundation that reflects the existence of many sectors" in the economy of Russia, Kazakhstan and Belarus, Bolshakov told INTERFAX in the wake of the Russian-Kazakh meeting.

Five Accords Signed on Baykonur Upkeep

LD2008153195 Moscow Mayak Radio Network in Russian 1430 GMT 20 Aug 95

[FBIS Translated Text] Russia and Kazakhstan have concluded a further five agreements on the upkeep and operation of the Baykonur space center. Interfax was given this information by Nikolay Borisyuk, deputy commander of Russia's military space forces. The documents were signed during the visit of a Russian Government delegation to Almaty.

At the same time, during the discussion of matters linked with the status of the town of Leninsk, the sides declined to sign several previously planned documents, including on the the constitutional rights of the inhabitants of Leninsk, the ownership of the town, and other matters. Most of these issues will be covered by other agreements that have been drafted for signing by the presidents of the two countries.

Russian Premier Supports LUKoil's Kazakh Projects

LD1808202895 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 18 (INTERFAX) — Kazakh President Nursultan Nazarbayev met in Almaty Friday [18 August] with Vagit Alekperov, president of the largest Russian oil company LUKoil.

Alekperov told INTERFAX that he brought Nazarbayev a letter from Russian Prime Minister Viktor Chernomyrdin expressing gratitude for the help LUKoil had received in carrying out large-scale projects in developing Kazakhstan's oil and gas industry.

The Russian government pledged support to LUKoil in its cooperation with Kazakh oil and gas enterprises. This will contribute to closer economic ties between the two countries, the letter says.

Alekperov said that Nazarbayev gave his go-ahead to the expansion of LUKoil's activities in Kazakhstan.

Following the meeting, Alekperov and Nurlan Balgimbayev, Kazakh oil and gas industry minister, signed a protocol on the next stage of cooperation between LUKoil and the ministry.

Alekperov told INTERFAX that the partners are now on the threshold of a new stage of cooperation. In particular, LUKoil plans to bid for privatization of the state-owned Yuzhneftegaz oil company and the Chimkent Oil Refinery. LUKoil and the Kazakh ministry also plan to develop jointly the Kenbai oil field in the west of Kazakhstan and modernize the Aturau Refinery.

Alekperov added that the parties had also agreed to draft a contract and start work on reviving the oil wells in the Uzen field in Kazakhstan.

He said that the company will prospect for oil on the Kazakh Caspian shelf. "We hope that Kazakhstan will offer us a small share in the Kazakhstankaspyshelf consortium," Alekperov said. LUKoil hopes to have Kazakhstan share in prospecting for oil in the Russian offshore area.

Oil Minister: No Alternative To Transporting Oil Via Russia

LD1808203295 Moscow INTERFAX in English 1800 GMT 18 Aug 95

[FBIS Transcribed Text] ALMATY, Aug 18 (PIA-INTERFAX) — Kazakh Minister for Oil and Gas Industry Nurlan Balghymbayev has said there is no alternative to the construction of the Kazakhstan-Novorossiisk pipeline for delivering oil from the Tengiz field.

"We will build it first of all," he told the Petroleum Information Agency, a division of INTERFAX, in an interview today.

This statement followed the visit of Turkish Prime Minister Tansu Ciller to Kazakhstan this week. During the visit Almaty and Ankara signed a protocol of intention on creating a joint-stock company for building an export pipeline to the Mediterranean Sea through Turkey.

Russian experts told the PIA with regards to the protocol's signing that Kazakhstan was taking an "ambiguous stand" while signing the agreement with Turkey and at the same time remaining in the Caspian pipeline consortium created by Russia and Oman for transporting oil from the Tengiz oil field. The experts also stressed

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that the protocol had been signed just a few days after the consortium's leadership declared the beginning of the construction of the first phase of the export pipeline from Kazakhstan to the Black Sea through Russia.

Balghymbayev said "additional outlets to the world market" must be looked for as Kazakhstan's output of hydrocarbons was expected to be very large in the next century. He said the most realistic option was to transport oil to the Mediterranean Sea. He added that 12 options for building export oil pipelines were currently being considered, including the possible construction of a pipeline through China.

Kazakhstan extracted 20.312 million tonnes of oil with gas condensate in 1994. Kazakhstan plans to raise the yield to 45 million tonnes of oil by the year of 2000. Kazakhstan's discovered oil resources exceed 2 billion tonnes.

Kazakhstan Joins Asia-Europe Fiber Optics Project

MM2108103395 Moscow RABOCHAYA TRIBUNA in Russian 18 Aug 95 p 1

[Report by Igor Anisimov: "Your Telephone Will Ring"]

[FBIS Translated Text] Almaty — In Kazakhstan the first cubic meters of top soil have been moved for the construction of the Asian-European fiber optic highway. It will extend from Shanghai to Frankfurt-am-Maine and will provide electrical telephone communications for all countries across which the cable will pass.

It is planned to carry out the Asian-European highway plan with a Japanese credit. Here each country will lay the line independently on its own territory.

Kazakhstan is the sixth country to join in the construction. Before that Germany, Poland, Ukraine, Turkey, and Iran had been taking part in the project.

Points in New, Old Constitutions Compared

954F3116A Almaty EKSPRESS-K in Russian 15 Aug 95 p 2

[Article by Nail Ishmukhametov: "Compare—You Will Understand It All, You Will See It All Yourself"]

[FBIS Translated Text] In exactly two weeks, the country's current Constitution is fated to recede into history. After a fair copy was made of the draft of the new Constitution, "N. Nazarbayev's Constitution," practically no doubts remain that Kazakhstanis will live and work with a new basic law.

And meanwhile, it would probably be interesting to compare to see what we "lose" and what we "gain." We agree, much has already been said about this, but there were shortcomings in the commentaries as well. We propose to go through in detail the fundamental problems of modern life, which have for a relatively long time troubled the minds and aspirations of our countrymen. The way it was and still is for the time being—and the way it will be (the norms and provisions of the current Constitution will be set in regular type, and the articles of the draft of the new one will be set in boldface). We remind the reader that the first Constitution of the Republic of Kazakhstan, under which we now live, was adopted on 28 January 1993 by the then Supreme Soviet of the republic.

On Statehood

"First. The Republic of Kazakhstan (Kazakhstan) is a democratic, secular, and unitary state.

"The Republic of Kazakhstan as the form of statehood of the independent Kazakh nation guarantees equal rights to all of its citizens."

"Article 1. The Republic of Kazakhstan asserts itself to be a democratic, secular, law-based and social state, whose highest values are the individual and his life, rights, and freedoms.

"2. The fundamental principles of the Republic's activity are: public harmony and political stability, economic development for the good of all the people, Kazakhstani patriotism, the resolution of the most important questions of state life by democratic methods, including voting at a republic referendum or in parliament."

On Language

"Eighth. In the Republic of Kazakhstan, the state language is the Kazakh language.

"The Russian language is the language of interethnic relations.

"The state guarantees the preservation of the sphere of usage of the language of interethnic relations and of other languages, and it concerns itself with their free development.

"The restriction of citizens' rights and freedoms on the basis of lack of knowledge of the state language or the language of interethnic relations is prohibited.

"Section V. Transitional Provisions

"Article 4. During the transition period, conditions are to be created for the free and free-of-charge study of the state language; during this time, official business in the Republic of Kazakhstan is to be conducted in the Kazakh and Russian languages."

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"Article 7.1. In the Republic of Kazakhstan, the Kazakh language is the state language.

"2. In the state organizations and the organs of local self- government, the Russian language is used officially on an equal level with the Kazakh.

"3. The state concerns itself with creating the conditions for the study and development of the languages of the people of Kazakhstan.

"Article 14. (....)

"2. No one can be subject to any kind of discrimination for reason of origin, social, official, or property status, sex, race, nationality, language, attitude to religion, beliefs, place of residence, or any other circumstance.

"Article 93. With a view to the realization of Article 7 of the Constitution, the government and the local representative and executive organs are obligated to create all the necessary organizational, material, and technological conditions for the free and free-of-charge mastery of the state language by all citizens of the Republic of Kazakhstan in accordance with a special law."

On Citizenship

"Article 4. Each individual in the Republic of Kazakhstan has the right to citizenship and to change his citizenship.

"The grounds and procedure for the acquisition, retention, and loss of citizenship of the republic is established by constitutional law. Deprivation of citizenship of the Republic of Kazakhstan or the right to change citizenship is not permitted; nor is banishment of citizens beyond the borders of the republic.

"For a person who is a citizen of the Republic of Kazakhstan, citizenship of another state is not recognized, with the exception of cases stipulated by this Constitution and interstate agreements of the Republic of Kazakhstan.

"All citizens of the republic who have been forced to leave its territory, and also Kazakhs living in other states, have a recognized right to hold citizenship of the Republic of Kazakhstan along with citizenship of other states, if this does not contradict the laws of the states whose citizens they are."

"Article 10.1. Citizenship of the Republic of Kazakhstan is acquired and terminated in accordance with law, and it is indivisible and equal, without distinction as to the basis of its acquisition.

"2. A citizen of the republic may under no conditions be deprived of citizenship or the right to change his citizenship, nor can he be banished beyond the borders of Kazakhstan.

"3. For a citizen of the republic, citizenship of another state is not recognized."

On Property Ownership

"Article 18. A citizen of the republic has the right to be a property holder.

"A property holder owns, uses, and disposes of the property belonging to him according to his own discretion....

"Article 45. The economy of the Republic of Kazakhstan is based on diverse forms of ownership.

"The state guarantees equality before the law of all holders of property....

"Article 46. The land, its subsoil, waters, the plant and animal world, and other natural resources are owned exclusively by the state.

"The limits and subjects of administration on behalf of the state of property-holder competence of the objects in question is determined by law.

"Article 47. Private property is inviolate.

"No one may be deprived of his property, other than by court ruling.

"Requisition may be undertaken only in exceptional cases directly stipulated by law....

"Article 48. The state guarantees freedom of private enterprise activity and guarantees it freedom and support...."

"Article 6.1. In the Republic of Kazakhstan state and private ownership are recognized and equally protected.

"2. Ownership entails obligation, and the use of property should simultaneously serve the public good. Subjects and objects of ownership, the volume and limits of property-holders' use of their rights, and the guarantees of their protection are determined by law.

"3. The land, its subsoil, waters, the plant and animal world, and other natural resources are owned by the state. Land may also be in private ownership, on grounds established by law.

"Article 26.1. Citizens of the Republic of Kazakhstan may own as private property any legally acquired property.

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"Ownership, including the right of inheritance, is guaranteed by law.

"3. No one may be deprived of his property, other than by court ruling. Compulsory confiscation of property for state needs in exceptional cases stipulated by law may be effected under the condition of its equivalent compensation.

"4. Everyone has the right to entrepreneurial activity, free use of his own property for any lawful entrepreneurial activity..."

There is probably no need for any specially laid-out commentary. An attentive look is enough to find the differences in the proclaimed fundamental theses of the current and future constitutions. Naturally, there is no limit to improvement, and the given draft constitution could be considered by some to be far from perfection. But it should not be forgotten that ALL citizens of the country are to live by it. Therefore, one cannot get by without consideration of the balance of interests of all or at least of the majority of the social groups and public-political associations, without compromises. In our view, the necessary balance and compromises in the new draft Constitution are optimally observed.

Tajikistan

Rakhmanov, Russian Commander Leave for Afghan Border

LD1908062395 Moscow ITAR-TASS World Service in Russian 0500 GMT 19 Aug 95

[FBIS Translated Text] Dushanbe, 19 Aug — Colonel General Andrey Nikolayev, head of Russia's Federal Border Service, left this morning for one of the most difficult sections of the Tajik-Afghan border, the Moskovskiy border detachment, to familiarize himself with the current situation there.

He arrived in Dushanbe on 18 August to discuss with the country's leadership preparations for the next round of inter-Tajik talks and to familiarize himself with the general situation on the Tajik-Afghan border.

Tajik President Emomali Rakhmanov flew to the border along with the head of Russia's Federal Border Service. Lieutenant General Pavel Tarasenko, commander of the Russian border troops in Tajikistan, accompanied them.

The press service of the Russian border troops in Tajikistan told an ITAR-TASS correspondent that a group of officers and soldiers of the Moskovskiy border detachment will be awarded Russian medals and orders for courage in defending the southern borders of the CIS.

It is expected that Nikolayev will give a news conference in the afternoon on completion of the visit.

Agreement on Temporary Cease-Fire Extended 6 Months

LD1808181595 Moscow ITAR-TASS in English 1758 GMT 18 Aug 95

[By Galina Gridneva]

[FBIS Transcribed Text] DUSHANBE, August 18 (ITAR-TASS) - The agreement on a temporary cease-fire and the termination of other hostile actions on the Tajik-Afghan border and inside Tajikistan which expires on August 26 this year, has been prolonged for another six months — up to February 26, 1996.

This decision is set forth in the protocol on basic principles of the establishment of peace and national accord in Tajikistan signed by Tajik President Emomali Rakhmanov and leader of Tajik opposition Sayyid Abdullo Nuri on August 17 through the mediation of U.N. Secretary-General special envoy on Tajikistan Ramiro Piriz Ballon.

This was stated by Mahmadsaid Ubaydullayev, First Vice-Prime Minister and head of the delegation of the Tajik government at the talks with the opposition, at a news conference today.

Commenting on the protocol, Ubaydullayev stressed that in this document the Tajik president and the leader of the Tajik opposition, having a firm intention to ensure the observance of the highest interests of the Tajik people, confirmed that the necessary means for the achievement of a durable peace in the country were a dialogue and cooperation.

With that end in view, the protocol says, the government of Tajikistan undertakes to refrain from any actions running counter to the clauses of the protocols to be concluded in future and adopting such laws or measures which may be incompatible with these protocols.

The Tajik opposition undertakes to carry out the political struggle exclusively by peaceful means in accordance with existing laws in the Republic of Tajikistan and in keeping with the terms and guarantees set forth in a general agreement on the establishment of peace and national accord in the country.

The first vice-premier noted that both sides agreed that, beginning from September 18, 1995, they would hold a continuous round of talks with the aim of concluding a general agreement on the establishment of peace and national accord in Tajikistan as soon as possible. The place for conducting talks will be agreed on between

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the sides through the mediation of the U.N. Secretary-General special envoy.

According to Ubaydullayev, a general agreement will consist of separate protocols dealing with different groups of problems: political, including a consultative forum of the peoples of Tajikistan, the activities of all political parties and movements, the participation of their representatives in power structures, the deepening of the process of democratisation of Tajik society; military problems, including reforms of the governmental "power" structures, the disbandment, disarmament and reintegration of armed formations of the opposition into the government armed forces or the civil sphere of the country in accordance with the timetable to be agreed on in the course of the further negotiations.

Yet another group of problems are the implementation and guaranteeing of voluntary and secure repatriation and reintegration of refugees, including economic, social and legal guarantees of defence, and the establishment of a commission for observation and control over the observance of a general agreement.

The August 17 document stresses that the protocols on the mentioned groups of problems will be the integral parts of a general agreement. The August 17 document will be included in it as the first protocol, Ubaydullayev pointed out.

Touching on the place of holding the next, and from now on, continuous round of the inter-Tajik talks, Ubaydullayev told the news conference that the government of his country insisted on conducting the talks in the capital Ashgabat.

At the same time, he stressed that a final decision on this issue would be made by way of consultations with the United Nations and its local representatives.

Rakhmanov, Opposition Sign 'Breakthrough' Document

LD2108101395 Moscow ITAR-TASS in English 1001 GMT 21 Aug 95

[By Oleg Kuzmin]

[FBIS Transcribed Text] TEHRAN August 21 (ITAR-TASS) — A document on the basic principles of the establishment of peace and national accord in Tajikistan has been described as a "breakthrough" in Tajik settlement by Shodmon Yusuf, Chairman of the oppositional Democratic Party of Tajikistan. The document was signed by Tajikistan President Emomali Rakhmanov and Chairman of Tajikistan's Islamic revival movement Sayed Abudullo Nuri. In a telephone conversation with ITAR-TASS correspondent in Tehran on Sunday, Yusuf said the document had laid the foundation for the establishment of peace and stability in Tajikistan.

Yusuf welcomed the role played by Moscow, Kabul, Dushanbe and particularly the United Nations in achieving accord. U.N. representative Ramiro Piriz-Ballon made recently fruitful visits to the three capitals. The document actually resolves all the main questions linked with the Tajik conflict, Yusuf said. The problem of safe return of refugees is the only problem that remains to be discussed at the last round of inter-Tajik talks.

Government Frees Bread, Flour Prices

LD2008152995 Moscow ITAR-TASS in English 1509 GMT 20 Aug 95

[By Galina Gridneva]

[FBIS Transcribed Text] DUSHANBE, August 20 (ITAR-TASS) - The Tajik government has freed the price of flour and bread starting Sunday [20 August].

The move will bring the price of one loaf of bread (680 grams) to 17-18 Tajik roubles with the minimum wage being 144 roubles (one Tajik rouble equals 132 Russian roubles).

Tajik Prime Minister Jamshed Karimov explained the decision by a number of objective reasons. Regulated bread prices have caused a severe shortage of grain and flour which have also been smuggled out of the country, he said.

The premier noted that up to date the price of bread in Tajikistan was lower than that in other CIS states.

The government has taken prompt measures to protect low-income families and compensate them for price rises.

However, independent observers believe the government's doles will not solve the problem for the majority of the population of Tajikistan which has the lowest subsistence level in the CIS.

Turkmenistan

Agreements Signed With Turkey To Boost Trade

LD1708193295 Moscow ITAR-TASS in English 1741 GMT 17 Aug 95

[By Lyudmila Glazovskaya]

[FBIS Transcribed Text] Ashgabat, August 17 (ITAR-TASS) — Turkmenistan and Turkey signed agreements to boost trade cooperation and give even more opportunities to Turkish businessmen which they have at the republic's market.

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Turkmenistan's President Saparmurad Niyazov and Turkey's Prime Minister Tancu Ciller signed an agree ment on double taxation and a document establishing a bilateral commission for trade and economic cooperation during tete-a-tete talks they had on Thursday [17 August].

Speaking to the press, the two officials confirmed that the sides were ready to develop bilateral partnership and addressed several related problems, including potential gas exports to Turkey and Turkmenistan's debt to Turkish businesspeople.

Ciller proposed to transit gas to Turkey through a Georgian pipeline which, however, had to be then lengthened for some 160 kilometers in Turkey's direction. Niyazov found it quite acceptable but said he would consult Russia as the key partner which co-owned the existing pipeline.

Touching upon Turkmenistan's debt to Turkish businessmen, Niyazov said the republic did not collect all payments which were due to come from countries consuming its gas exports. However, he reassured that by late 1995 Turkmenistan would repay its Turkish debt in full.

During the visit, Turkish delegation members met local businessmen to discuss new prospects for cooperation in the construction, agricultural, processing, textile, and transport sectors.

On Friday, Ciller will attend an opening ceremony of a denim-producing factory to become the 101st industrial facility constructed by Turkish workers in Turkmenistan.

Currently, Turkmenistan hosts 79 Turkish companies, some 30 out of which have already established joint ventures. From August 17, such ventures will operate on a tax-free basis for 45 months from the date of start-up. Earlier, this term totaled 18 months.

Observers on Ciller Visit

LD1808164995 Moscow INTERFAX in English 1304 GMT 18 Aug 95

[FBIS Transcribed Text] Ashgabat, Aug 18 (INTERFAX) — Local observers believe that the chief result of Turkish Prime Minister Tansu Ciller's visit to Turkmenistan, which ended Friday [18 August], is Ankara's offer to lay an export gas pipeline from Turkmenistan across Russia, Georgia, and Turkey.

Turkmenistan's President Saparmurad Niyazov has voiced readiness to consider the proposal and consult the countries concerned.

Commenting on his statement, some observers feel that Turkmenistan will most likely change its gas export plans. Earlier that republic had intended to ship fuel to Turkey and subsequently to Europe across Iran.

Asked about the fate of the Turkmenistan-Iran-Turkey gas project on Thursday, Niyazov admitted that its implementation has encountered difficulties.

When Niyazov approved the development of the republic's oil and gas industry in late 1993, he envisioned the construction of a gas pipeline from Turkmenistan to Europe via Iran and Turkey. The pipeline was to be 4084 kilometers long with 1.42 m wide pipe and with investment in construction estimated at $8-14 billion.

As oil and gas experts have noted in an interview with Petroleum Information Agency, Ashgabat might have changed its posture under U.S. pressure. When U.S. Deputy Energy Secretary William White visited Turkmenistan last spring he made it clear for local fuel industry chiefs that Washington objects to laying a gas pipeline across Iran. He did not rule out that the U.S. might exert some pressure and affect funds for the project as a result.

Turkmenistan has been second only to Russia in gas production in previous years. However, last year, according to the Turkmen Oil and Gas Ministry, the republic produced 35.63 million cubic meters of gas compared to 65.21 billion cubic meters in 1993. Such a slump in natural gas extraction in Turkmenistan is blamed on the insolvency of former USSR republics, the basic Turkmen gas consumers. As a result, demand for fuel on the market has declined.

An agreement was also signed at the end of Ciller's negotiations in Ashgabat on how to avoid double taxation and an understanding was reached to set up a mixed trade and economic cooperation commission.

On Friday, Ciller and Niyazov attended a ceremony for the opening of a denim factory, built by Turkey.

Before Ciller's departure, yet another unscheduled top level discussion took place while repairs were affected to the plane. Finally the Turkish delegation had to fly in a Boeing offered by Niyazov.

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Armenia

Iranian Envoy on 'Murder,' Ties Require 'Safety'

NC1908111395 Yerevan NOYAN TAPAN in English 1806 GMT 18 Aug 95

["HAMID REZA NEGAR-ESFAHANI: 'COOPERATION BETWEEN ARMENIA AND IRAN IS POSSIBLE ONLY IN COMPLETE SAFETY'"—NOYAN TAPAN Headline]

[FBIS Transcribed Text] 18/08/95 NOYAN TAPAN—The following is an interview given by Iranian Ambassador to the Republic of Armenia to Director of our agency Tikran Harutyunyan.

[Harutyunyan] Mr. Ambassador, please accept my deepest condolences on occasion of murder of Iranian driver on Goris-Meghri highway.

[Iranian Envoy] We anticipated that something of this kind will eventually happen. A month ago at the same spot our drivers were shelled by strangers. We had warned your Government that the robberies in this were becoming increasingly dangerous. Why didn't your Government take any measures? We even offered to help control the area. In our opinion, the source of these incidents is in the law-enforcement of Armenia. We are aware of instances when Iranian citizens appealed to Interior Ministry in connection with robberies and it turned out that the amounts required by it were higher then the sums they were robbed off. Instead of fighting with the crime, the law-enforcement promotes it.

As far as we know the truck was subjected to machine gun fire. Are people going around armed here? Or some armed formations are functioning? Who discovered the corpse? How long was it lying there? In what condition? We have learned all about it in Iran. But where was your police, the law-enforcement, why the corpse was found only several days after the murder? Our people don't know anything about it yet. I apprehend that if they learn we won't be able to control their anger.

If we reported in time to our Government that this section of the highway was not safe, our drivers would not come to Armenia by this route. But the Islamic Republic of Iran does its best to break the blockade of Armenia. The current economic ties between our countries should be regarded not as much as economic cooperation, but as economic assistance to Armenia.

What do you think. what was the profit of the driver who brought a cargo of chicken to Armenia. If we calculate the cost of the track, the expenses caused by driving on stone age roads, and take into account the fact that the track was returning to Iran empty, the "profit" will be obvious. And what do we get in response - a murder.

[Harutyunyan] According to Goris department of the Interior Ministry, up to now 5 crimes have been committed in this area and 4 of them were revealed. This incident is the only murder registered here for the whole year (if we ignore the murders committed by an intruder from Azerbaijan). Do you have any evidence that there has been more such instances, and why don't you publish them?

[Iranian Envoy] In reality there have so many such incidents that the materials about them overload archives of our Embassy. This is not the first murder of an Iranian citizen in Armenia. One of our citizens was murdered in Yerevan a couple of months ago. When we talked with Iranian drivers commuting on the highway, we learned that there isn't a single Iranian driver who has not been stopped at least ten times on the road and required to give a bribe. A whole movie can be based on their recollections.

[Harutyunyan] As is known, for the last couple of years this region has been visited by Iranians who engage in lawful and unlawful transactions with local drivers. In similar contacts it is possible that some argument may arise. Even the strongest state with the most powerful police is not insured from this. Moreover that we don't know yet what were the motives for the murder.

[Iranian Envoy] I admit that such instances are possible when people of different citizenship engage in that kind of transactions.

[Harutyunyan] Why do you then regard this incident as an act directed exclusively against Iranian citizens? Maybe it should be considered a regular crime due to faulty state regulations which are on the stage of formation.

[Iranian Envoy] We will give our evaluation when Armenia answers us what measures it has taken and is taking in connection with this crime. I am not sure that the murderer is an Armenian, because for the whole our history we saw no crime or murders from Armenians. These crimes are committed by our common enemies and they should be considered as the fault of irresponsible leaders which was directed not only against Iranians but Armenians as well.

However, the cooperation between our countries may gain a solid basis only if complete safety is guaranteed.

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INTERFAX Reporter Cited as Plagiarist

954F3146A Yerevan RESPUBLIKA ARMENIYA in Russian 16 Aug 95 p 1

[SNARK report: "INTERFAX Snafu"]

[FBIS Translated Text] "Is INTERFAX a Plagiarist?" The Ministry of Foreign Affairs [MFA] of Armenia issued a statement so titled in response to the material "Let Us See on 4 September," published in GOLOS ARMENII on 12 August. It cites the contents of the alleged press conference of Vardan Oskanyan, RA [Republic of Armenia] deputy minister of foreign affairs, in the interpretation of the INTERFAX agency's correspondent. The editors also express their dismay that no GOLOS ARMENII correspondent was invited to this press conference.

In this connection, the RA MFA press center response to the material published in the newspaper was that Deputy Minister of Foreign Affairs Vardan Oskanyan did not hold a press conference—he gave an exclusive interview to ITAR-TASS agency staff correspondent T. Liloyan and SNARK agency correspondent G. Movsesyan. V. Oskanyan's interview in the interpretation of the latter was published in RESPUBLIKA ARMENIYA on 9 August.

It was this interview that the INTERFAX correspondent used as a basis for his report, which he, in order to give it additional weight and credibility, embellished with the phrase, "commenting in the interview to a INTERFAX correspondent...", says the RA MFA press center statement.

The document notes that the INTERFAX agency correspondent, "having omitted attribution of the true source of his information, readily appropriated the results of someone else's work, thereby violating commonly accepted norms of journalistic ethics." The RA MFA press center informed the INTERFAX agency leadership of this fact.

On its part, the SNARK agency insists on a public apology from the INTERFAX agency for appropriating SNARK's information; otherwise, it reserves the right to take court action on this matter.

Yegoryan on AOD Influence, Other Issues

954F3112A Yerevan VREMYA in Russian 12 Aug 95 pp 1-2

[Interview with Eduard Yegoryan, chairman of the National Assembly's Constitutional Law Commission, by Artem Yerkanyan; place and date not given: "The AOD Could Counterbalance the Government"]

[FBIS Translated Text] This person's role in the state is growing by the day. He has never held office in the government and has not laid claim to the role of head of the ruling party. His influence on the political leadership here is comparable only to that of the power ministers, perhaps. He likes to govern. He is not, by all appearances, afraid of work. Otherwise why would he have heaped onto the parliamentary commission that he leads the functions of five (!) commissions of the Supreme Council?

[Yerkanyan] Contradictions between the AOD [Armenian Pannational Movement] leadership and the government have arisen repeatedly. This time the cabinet was formed with the direct participation of the leaders of the ruling party, but its composition differs only negligibly from the previous one. So can you say today that this government is wholly to your liking?

[Yegoryan] I cannot say that it is wholly to my liking. It is to my liking as a whole, rather. It is natural that the opinion of the AOD leadership had to be taken into account when the cabinet was being formed inasmuch as, having a majority in parliament, the faction of the ruling party could have raised the question of no confidence in the government. And since no such question arose, there are, consequently, no contradictions between us today. This does not mean, of course, that disagreements cannot arise tomorrow or the day after. But if they do, nothing dangerous should be expected. After all, opposition on some specific question will ultimately make it possible to find the optimum solution. In this sense the AOD can today permit itself to be a counterweight to the government. Earlier—in the years of the Supreme Council—we were less successful at this since the AOD lacked the mechanisms making it possible to carry through a required decision without the enlistment of independent deputies or members of other factions. We were forced to close our eyes to the details, just as long as the document was carried as a whole. Now, however, the AOD, together with friendly parties, can ensure the necessary majority of votes, and account has to be taken of this.

[Yerkanyan] Does the last fact not mean that the lawmaking process will begin and, essentially, be completed not inside parliament but in AOD Headquarters? I cannot fail to see something dangerous in this. I recall the good old days, when the Politburo decided, and the Supreme Soviet dutifully approved.

[Yegoryan] Throughout the civilized world it is considered ideal if some political force has sufficient votes in parliament for deciding questions independently and

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bearing the fullness of responsibility. In the event of no party being able to secure a majority, a heap of problems arise: The ruling party is forced to agree to compromises even on matters of principle, forced to share responsibility.... It is the people who suffer from this, in any event....

[Yerkanyan] The Republic association, just like its parliamentary faction, does not have its own rules. How are the relations between the parties of the bloc and the representatives in parliament regulated? And whose word is ultimately decisive: that of the council of party leaders or that of the Republic deputies themselves, who have determined their position at a meeting of the faction?

[Yegoryan] There are certain traditions that evolved in the years of the Supreme Council. What usually happened was this: The political body would submit a proposal, which would be discussed at a meeting of the faction. It would so happen that the faction would reject a proposal of the board. So a decision adopted by a party's political body did not perform a decisive role.

This format will, I believe, be employed in the work of the Republic association faction also. I assume that the faction will decide questions, including those involving relations with the leadership of the parties which are members of the bloc, on a current basis.

[Yerkanyan] Will the decisions adopted at a session of the faction be binding on all the deputies which are members of it? As far as I know, the AOD faction in the Supreme Council frequently practiced repressive measures against the AOD-ites who voted in parliament in defiance of a decision adopted by the faction.

[Yegoryan] I believe that a member of the faction should be free to adopt decisions independently, regardless of the conclusion concerning the question at issue that his colleagues have reached at a session of the faction. This was the case in the Supreme Council. Only in exceptional cases, when a decision has been adopted by a two-thirds vote, shall the faction require all its members to vote in parliament accordingly. And it is perfectly natural that, if a deputy has violated this provision, he should draw the organizational conclusions for himself. It did not usually reach the point of expulsion, and the deputy would quit the faction of his own accord.

But such cases were few: three or four in the past five years. I would like to mention, incidentally, that this procedure is practiced in many civilized countries. The French socialists, for example, repeatedly expelled from their ranks deputies who voted contrary to what had been recommended.

[Yerkanyan] The parliamentary opposition's lack of a mechanism of influencing the law-making process will inevitably signify an intensification of the internal opposition in the actual camp of the alliance that has formed around the AOD. Many observers are in this connection forecasting a swift split in the Republic association. What do you think about this?

[Yegoryan] What you are talking about is perfectly natural. The presence of a serious opponent distracts people from internal insignificant disagreements. The absence, on the other hand, of an external adversary stimulates an intensification of the contradictions in one's own camp. I concede absolutely that forces that could become, as you have said, an "internal opposition" could very soon emerge within the faction of deputies of the Republic association. The emergence of such a counterweight would be a guarantor of quality since both the weak and strong aspects of both positions would be revealed as a result of the confrontation. Such a phenomenon could only be welcomed.

Concerning part two of the question, where you ask me to comment on the forecasts of certain observers, I may say that, as distinct from them, I do not today see the grounds for speaking of the proximity of a split in the Republic association.

[Yerkanyan] Your name was at one time mentioned among those aiming at the minister of internal affairs portfolio....

[Yegoryan] Such an option has not been discussed. I am sure that this rumor comes from people endeavoring to see to it that possible disagreements in the ruling camp reach the point of the most antagonistic contradictions, which would ensure the split that they are forecasting.

[Yerkanyan] A whole number of recorded facts permitted UN and OSCE observers "to question the reliability of the official information published on the elections" (this is a quotation from the joint statement). Such tough wording cannot fail to be reflected in Armenia's future relations with Western countries....

[Yegoryan] To be honest, I have not followed this particularly.... As far as I know, there were, indeed, negligible violations. Otherwise the Central Election Commission would not have deemed the elections null and void in more than 20 districts. There were shortcomings, of course. But it is unclear to me, in any event, on what grounds observers are "questioning...."

There are various opinions. I am familiar with their preliminary assessment, in accordance with which everything at the elections here was as it should be, on the whole. I am surprised that one and the same organization can make mutually contradictory statements.

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As far as future prospects are concerned, I believe that, following these elections, our relations with the West will be more productive. Primarily because we have shown the world that there is no going back for Armenia. Armenia is, after all, one of the few states in which the communists were defeated at the elections. In this connection I believe that we can entertain bigger hopes of investments than earlier.

[Yerkanyan] Certain opposition forces, specifically of a left persuasion, are looking with particular hope to the north, expecting a turn of events favorable to them at the parliamentary and presidential elections in Russia. How, in your opinion, would a change of political leadership and, correspondingly, of policy (if such occurs) affect the situation here?

[Yegoryan] I do not care to consider the situation that you have suggested from the viewpoint of my selfish party interests and I would hope that my opponents do likewise. Remaining aloof from personality aspects, I have to note that a "left" Russia would be far less "useful" to Armenia than a "right," liberal Russia. Community with a liberal Russia would be far more effective for a strengthening of Armenia's statehood and its defense capability and economy than "friendship" with a communist Russia. A return of the communists to the Kremlin would undoubtedly have a negative effect also on the progress of a resolution of the Karabakh problem. For this reason we should be concerned to see the democrats remaining in office in Moscow. I am sure, incidentally, that the "left" will not manage to obtain half the mandates at the coming parliamentary elections.

Week's Events in Economic Sphere Reviewed

954F3113A Yerevan RESPUBLIKA ARMENIYA in Russian 15 Aug 95 p 1

[Article by Ashot Aramyan under the rubric "Week in Economics": "On the 'Patriotism' of Chickens and the 'Cosmopolitism' of Cows, or Some Lose and Some....Clean Up"]

[FBIS Translated Text] Henry Shifman, head of the IMF legal department, who visited the republic last week, said some flattering words about it before departing. Presenting the fund's activities in CIS countries to Armenian parliament Deputy Speaker A. Saakyan, he emphasized that in the area of drafting all-round economic legislation, Armenia is a Commonwealth leader, and after putting in some amendments regarding the banking system, its legislation will be even better than that of a number of Western countries. Need one mention that this will allow the republic's economy to obtain additional and substantial investment from the outside? Nevertheless, the newly elected RA [Republic of Armenia] National Assembly will have plenty of work in this respect, since over 1995-1999 it is expected to adopt all in all about 100 basic laws....

Because of criticisms and suggestions, it was a "no go" last week in the government for the state investment program—this kind of document, intended to cover the period from 1996 to 1998, has been drafted for the first time in our republic. By the way, it was presented at the RA Government meeting by newly appointed Minister of Economics A. Andreasyan, who began work in his new job by tightening discipline in the agency entrusted to him—demanding that the staff show up at work on time, and such....

Last week the price of bread in the stores rose by 5, 10, or 15 drams (depending on the area); Minister of Agriculture and Food Ashot Voskanyan explained this at a press conference by the increase in grain procurement prices, which are not that far removed from the world level....

The situation in the republic's power generation sector last week was characterized by relative stability: Counting nighttime switch-ons, the population received at minimum eight hours of electricity. Because not much time remains until 1 September, when, according to some statements, power from the nuclear power station [AES] should come into the grid, RESPUBLIKA ARMENIYA correspondent met with Armenergo president Mels Akopyan and asked him to clarify two points. The latter, first, refused to say anything regarding the time frame, and to the question as to whether it is true that when the AES goes fully on line, this will increase the situation with the power supply only insignificantly, since at the same time a number of hydroelectric stations will be idled and drawdown from Sevan stopped, he replied in the negative: There will be an improvement, and a substantial one.

Meanwhile, Ukraine, in order to fulfill its promise to close the Chernobyl AES, has demanded from the "big seven" countries $4 billion (!?)—otherwise the Chernobyl AES will continue to function for another 16 years. The problem is also exacerbated by the fact that the existing Chernobyl AES sarcophagus was built to function for no more than 100 years, but analysis of the nuclear substances in it confirms that radioactivity in the sarcophagus will continue for another tens of thousands of years (!!!). So, difficult as it is to open an AES, it turns out that it is even more difficult to close one....

In Russia, concerns are being voiced over the emission of "empty money" to cover the budget deficit, as well as over the fact that the introduction of a "limited" form of fixing the ruble rate will not lead to economic stabilization, and by the end of the year the exchange

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rate of the dollar will reach 6,000-7,000 rubles. Let us note that in Armenia, along with positive trends in the foreign currency and finance market, the rate of increase in the money supply and especially cash exceeds the rate of inflation by a factor of 1.3, and the rate of economic growth almost by a factor of three....

Last week the press published the report of the RA Administration for Statistics, State Registry, and Analysis [Gosuprstat] on the Armenian economy for the first half-year. And immediately editorial offices began receiving calls from "irritated" readers, piqued by the following piece of information: "The average nominal salary of persons employed in the state sector (including the amounts of financial aid and social benefits) in May 1995 was estimated to be 7,000 drams...." The callers, who themselves were budget sphere employees and were paid 2,000-2,500 drams, expressed disbelief at the amount of 7,000. A RESPUBLIKA ARMENIYA correspondent got in touch with Yevgeniya Vernyuk, chief of the Gosuprstat's aggregate statistics department, who, after telling us that her own salary was even more modest—1,800 drams—nevertheless confirmed the average figure of 7,000 drams, since, as she put it, there are people in that sector who already are getting considerably higher salaries— for instance, janitors in some state organizations are being paid 28,000 drams a month....

Compared to January-June of last year, over the first half of this year the volume of industrial production increased by 11.3 percent, even though power generation sector output declined. This is the only growing economy on CIS territory—the remaining 11 countries in the Commonwealth produced less than over the corresponding period of last year: Russia came close to 97 percent, and Belarus—91.8 percent; Azerbaijan is last with 73 percent, and Georgia—next to last with 78.7 percent. Most importantly, our industry managed to sell almost 82 percent of finished products. By the way, the Nagorno-Karabakh Republic too is taking resolute steps towards transforming its economy into a market type: The Artsakh parliament last week began to discuss the draft program for the first stage of privatization and denationalization for 1995-96. By the way, in terms of industrial production the Karabakh economy over the first half of this year is approaching its indicator for the corresponding period of last year: 93.7 percent, with 54.6 percent of the output produced sold.

Also interestingly, as of 1 July 1995, as compared to the corresponding period of 1994 production of eggs at state agricultural enterprises increased by 102,000 units; however, the average yield of milk per cow declined by 61 kg. Over the period under review, Armenia received humanitarian aid from 21 countries: The most aid came from the United States (more than 133,000 tonnes), Italy (almost 50,000 tonnes), and France (more than 20,000 tonnes).

The start-up complex of the Mars plant has been put on line, as well as the main production facility of the Spitak Garment Association and the first segment of the Chakhkal-Spitak water main; actually, due to a Gosuprstat error the latter two were "put on line" for the second time (RESPUBLIKA ARMENIYA reported previously that the administration had rushed ahead and in confusion already had them "put into operation" in its previous report).

And lastly. The trade balance between import and export remains negative for us—by $155 million, and without counting humanitarian aid—by $98 million, that is, we continue to import more than we export....

Azerbaijan

Aliyev Attends Religious Ceremony, Says Opponents Will Fail

NC1808160695 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 18 Aug 95

[FBIS Translated Text] Azerbaijani President Geydar Aliyev attended a ceremony today at (?Tezeffir) Mosque on the occasion of the Prophet Muhammad's birthday.

[Unidentified correspondent] The Islamic world marks the Prophet Muhammad's birthday as a holiday for a period of one month starting 15 August. Sheikh-ul-Islam Allahshukur Pashazade, chairman of the Caucasian Muslims Supreme Religious Council, welcomed to his office Azerbaijani President Heydar Aliyev, who was participating in the services at Tezeffir Mosque, and warmly greeted him on the Prophet's birthday. Our head of state wished for peace, security, and prosperity for our people on this sacred holiday. He said that the Azerbaijani people live according to the principles bequeathed to the Muslims by the Prophet Muhammad and they uphold his goals and creed and always regard his aspirations as sacred.

In opening the birthday ceremony at the Tezeffir Mosque, Sheikh-ul-Islam Allahshukur Pashazade highly praised the president of independent Azerbaijan for finding the time to attend the Prophet's birthday ceremonies, on one of the most sacred holidays of the Islamic world, and for his care for the Islamic religion.

President Geydar Aliyev noted that the Prophet Muhammad's birthday is a holiday of innocence, joy, and spirituality. He spoke of the freedom of religion and for Islam in independent Azerbaijan. In expressing views on the latest sociopolitical processes in our country, our head of state declared that henceforth no group of provocateurs or any force intending to partition Azerbaijan or

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harm its independence will ever achieve their ugly aims and ambitions, because now our people know well the meaning of independence and freedom.

Geydar Aliyev once more congratulated our people on the birthday of the Prophet Muhammad and wished prosperous and happy lives for them.

The other speakers declared that they will always support the domestic and foreign policy conducted by our head of state.

Finally, the Azerbaijani believers adopted an appeal to President Heydar Aliyev.

Aliyev Gets Mosque's Support

NC1908081595

[FBIS Editorial Report] Baku Azerbaycan Radio Televiziyasi Television Network in Azeri at 1718 GMT on 18 August carries a 76-minute recorded report on President Geydar Aliyev's participation in a ceremony at the (Teze Pir) Mosque on 18 August to mark Prophet Muhammad's birthday. Reception is fair.

Expressing thanks for the welcome given by Shaykh-ul-Islam Allahshukur Pashazade, Aliyev says he is maintaining contact with the mosque and the religion as a devoted Muslim, and advises Azerbaijanis to respect their religion as a source of their spirituality.

Addressing the congregation, Shaykh-ul-Islam Allahshukur Pashazade briefly refers to the prophet's birthday and says Aliyev's presence strengthens people's religious beliefs. He indicates that Aliyev's frequent visits to the mosque show his respect for religion and the congregation and says religious people should appreciate this. He notes that religious people supported Aliyev's presidency and says he hopes God will preserve Aliyev. He states that the people love Azerbaijan's independence and Aliyev and adds: "Believe in allah and the prophet and obey the leaders elected from among yourselves. Heydar Alirizaoglu Aliyev, who is elected from among us and confirmed by the Constitution, is today Azerbaijan's president. We like him and all the steps he takes. We oppose any attempt to assassinate him and any hostile opinion against him. And we ask God to help us and our president in our just work."

Speaking next, President Aliyev congratulates the Azerbaijani people on the prophet's birthday. He says Azerbaijan's existence as an independent state and its return to Islam are great achievements and cause for happiness. But he adds: This historic period is also full of difficulties, which should be surmounted.

Aliyev says: "Military aggression was launched against Azerbaijan seven years ago by Armenia, by the forces hostile to our people, nation, and religion. This aggression has been continuing for the past seven years and, unfortunately, due to a lack of leadership in this grave period for our people, we lost some of our land to the Armed Forces of Armenia. Azerbaijan's territorial integrity has been disrupted and violated and 20 percent of our land has been occupied by the Armenian Armed Forces; the Azerbaijanis, the Muslims, who had lived on the land for centuries, were forcibly ousted from their homes and turned into refugees. During the seven years of aggression against Azerbaijan our sons have been martyred, blood has been shed, and great blows dealt to our Islamism and Azerbaijanism. These things form the tragic and grave side to our life. But we have not lost our confidence, because we are a just nation and a peaceloving people, we are part of the Islamic world, and we believe we will overcome these calamities and our land will be liberated, the occupiers chased out, and our territorial integrity restored. But this is not easy to achieve and much must be done to attain it. We are working in this direction."

He notes that Azerbaijan has been observing the cease-fire for the past 15 months and adds that the cease-fire is merely a means to encourage what he calls the foreign police to end the war and ensure Azerbaijan's territorial integrity.

Aliyev then goes on to assert that Armenian aggression is not the only problem facing Azerbaijan. He cites ongoing turmoil at home and internal conflicts. He says some people have lost their Islamism, conscience, and honor and are exploiting this difficult period for personal gain. He says they are resorting to provocation and want to divide the people. He argues that these people, and not Armenia's strength, caused Azerbaijan's losses to Armenia.

But, he adds, due to measures taken in the past two years the groups that provoke are being uncovered and eliminated. He goes on: "The more we eliminate them the more our foreign enemies, the people hostile to Azerbaijan's independence and who live abroad, exploit the treachery of the provocateurs to force our Azerbaijan onto its knees again, to strangle our independence, and to wrest our independence; they want to colonize us again, they want to enslave us. No! I tell you today, and swear in this house of God, that we will never give up our independence. Each Azerbaijani should realize that we cannot become a colony, a slave again. We have freed ourselves. The Azerbaijani people should live freely. But some traitors and hirelings among us pursue their personal interests and hold these personal gains higher then the interests of the people and nation and

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traditions in an effort to undermine our independence. But we will not allow this. Developments in the past two years show that we are preventing this and will continue to prevent it."

Aliyev adds that such people have now been exposed and will all be brought to justice. Indicating that they have all been found, Aliyev says that following the defeat of a coup attempt in March "these same forces started preparing a new coup just a month later. A week ago we jailed a group of high-ranking officers and generals. They were attempting a new coup in Azerbaijan. They have now been exposed. General Vahid Musayev, General Rafik Agayev, General Shahin Musayev, and other colonels. Who was backing them? Those very forces that organized an opposition abroad for their own personal interests. Those who escaped from Azerbaijan and who hide in various places. Mutalibov, Rahim Gaziyev, Suret Huseynov, and their underlings. They have sold themselves in various countries; they have become their slaves. They serve them by selling out their people." Aliyev vows to devote his life to saving the people from such calamities. Referring to a recent attempt to kill him by blowing up a bridge, he says: "These traitors and terrorists" fail in their murderous attempts because God is protecting him for his loyalty to the people. He says: "I consider it the greatest honor to serve you, my people, the Azerbaijani Muslims. This is the meaning of my life. My life has no other meaning. I will live like this to the end of my life."

He concludes by urging unity at what he calls this most complex and decisive turning point for the nation.

Various speakers then address the congregation and praise Aliyev. One speaker says the Islamists are ready to liberate Azerbaijani land by waging jihad.

Shaykh-ul-Islam Allahshukur Pashazade reads an appeal from the congregation praising Aliyev and wishing him long life, calling on the people to be loyal to him, and criticizing the recent assassination attempt on Aliyev. The appeal gives an assurance that the Azerbaijani Muslims are on Aliyev's side and will defend him and support his policies. The appeal says coup leaders Mutalibov, Huseynov, Humbatov, Gaziyev, and others should be brought to Azerbaijan, tried, and given a deserving punishment as a lesson to others.

The recorded report ends by showing Aliyev leaving the mosque in a car.

Coup Plots Seen Staged for Political Reasons

MK1908082295 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 18 Aug 95 pp 1-2

[Article by Yelena Korotkova: "Three Coups Every Year. According to MOSKOVSKIY KOMSOMOLETS' Information, 'Ringleader' Was Having Tea in Moscow During the Putsch in Baku"]

[FBIS Translated Text] The impression is that Baku has had a recurrence of the "hunting down enemies of the people" disease widespread in the 1930's. The "prime minister" case was followed by the "Ministry of Internal Affairs" case; now it is time for the "military men case." President Geydar Aliyev has personally made a statement that the "officer's plot" was hatched with the participation of former General Staff chief Shakhin Musayev and that the latter has been arrested, among others. However, according to information available to MOSKOVSKIY KOMSOMOLETS, Shakhin Musayev was in Moscow throughout the day before yesterday; hence he could not have been arrested in Baku. If the head of state names as being arrested someone who is fully at large, the natural question is: Was there a plot?

The latest Azerbaijani coups have a very remarkable aspect to them: They have all been uncovered before they happened. Hardly had the plotters gotten their putsch together properly before the special services exposed them and "rendered them harmless." There can only be two explanations. Either the plotters are good-for-nothing: They cannot keep what they do secret. Or Azerbaijan's special services are super-professional: They have a nose for plots like Dobermans have for drugs. But if you assume that all these plots are inspired by the special services themselves with the full knowledge of the president, everything becomes almost logical.

The second special thing about Azerbaijani coups is the pointing to the invisible "hand of Moscow." All plots and terrorist acts are being linked to the disgraced president Mutalibov, who is in Moscow. If all the present ministers, deputy speakers, and soldiers willingly carry out his assignments, it is amazing that they should have unseated him in the past. What is more, all the "organizers" of plots and terrorist acts in the past were either Mutalibov's opponents or Gaydar Aliyev's loyal supporters (which is not the same thing, but which is not conducive to close contacts with the president in exile). It is difficult to find points of contact between Ragim Kazivev, Suret Guseynov, Rovshan Dzhavadov, and Shakhin Musayev (the plot "ringleaders"). Some of them are still in a legal sense "in an unfriendly relationship" with one another. And they could have hardly been united by a common goal before the commission

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of their "plot." On the other hand, it is a known fact that all the people declared "enemies of the people" by Aliyev after having been deposed surfaced in Moscow and contacted Mutalibov. Most probably, the opposite is happening: those hurt by Aliyev are trying to unite under the wing of the president in exile. Thus in the future, Aliyev may earn himself a powerful opposition with its headquarters in Moscow — the more so because in the wake of Yeltsin's edict granting shelter to political refugees, Ayaz Mutalibov is the first candidate for official Russian "shelter [krysha]." And to hear him tell it, following this he intends to start uniting all forces that oppose Aliyev under his hand, never denying that his objective is to get back in the presidential seat.

Former Defense Chief Denies Role in Coup Attempt

LD1908223495 Moscow Mayak Radio Network in Russian 2200 GMT 19 Aug 95

[FBIS Translated Text] Shahin Musayev, former chief of general staff of Azerbaijan's Armed Forces, has denied in an interview for INTERFAX allegations of involvement in an attempted coup. Azerbaijani President Geydar Aliyev said on 16 August in an address to a meeting of the constitutional commission that the coup had been planned by a group of former senior officers in the republic's Defense Ministry. The group was led by three generals: Musayev and two former deputy defense ministers, Vahid Musayev and Rashid Agayev, both of whom have now been arrested.

However, Shahin Musayev, now living in Kirovograd in Ukraine, says he has been away from Azerbaijan for over two years and does not know what he is accused of. Musayev stressed that he denies his complicity in any kind of plots and does not regard himself as a member of the military opposition, if any such thing exists in Azerbaijan.

General Denies Arrest Allegations

NC1808181395 Baku TURAN in English 1216 GMT 18 Aug 95

[FBIS Transcribed Text) Baku/18.08.95/TURAN — "Shahin Musayev is not arrested and lives with his family in Kirovograd", the cousin of General Fuad Musayev told TURAN's correspondent.

Fuad Musayev said last night General phoned his sister in Baku and said he is terrified at the news from Baku. "I have nothing in common with the events happening there and information about my relations with Generals Vahid Musayev and Rafik Agayev are groundless", he said to his sister.

Fuad Musayev also said that Shahin Musayev lives now in Kirovograd and he wanted to leave for Kaliningrad.

As was earlier reported, President Aliyev said three Generals of the National Army: Shahin Musayev, Vahid Musayev and Rafik Agayev together with the group of Senior Officers prepared military coup, but were arrested.

Iranian Threats Said To Prove Terrorists in Baku

NC1808182095 Baku TURAN in English 1216 GMT 18 Aug 95

[FBIS Transcribed Text] Baku/18.08.95/TURAN — "If quill-drivers working for Americans do not stop anti-Iranian propaganda, the members of Hezbollah will punish them," the Iranian newspaper "RESALAT" wrote the other day.

That newspaper and some other Iranian newspapers published several anti-Azeri articles accusing and insulting the Azeri journalists. "Penny hirelings of Americans," this is the most common charge addressed to the Azeri journalists.

It is interesting that those materials were sent to the editorial office of three Baku's newspapers (AZADLIG, AVRASIA and MAARIFCHI) by the press-service of the Iranian Embassy in Baku. Thus, in fact, the embassy confirms the information that gunmen from the terrorist organisation Hezbollah exist and function in Baku!

Addressing at the session of the Milli Mejlis on August 15 the Minister of National Security Namik Abbasov stated that the islamists became more active lately in Azerbaijan and their activity endangers the security of the country.

Leaders and activists of the Islam Party attend the meetings and press-conferences of the leaders of the Iranian Embassy in Baku. Moreover, leader of the Islam party Haji Ali Akram openly threatened the "enemies of Iran" during one of the last press-conferences.

U.S. Reaction to Election Decision Viewed

954F3131A Baku ZERKALO in Russian 12 Aug 95 No 29, p 2

[Article by R. Kasimova: "Elections for All or a Dispute With the United States—Such Seems To Be the Choice Following the Refusal of the Ministry of Justice To Register the PNFA"]

[FBIS Translated Text] Without any doubt, the press release distributed 8 August at the U.S. Embassy in Azerbaijan caused a major sensation. Emphasizing once again that his country was a consistent defender of democracy and making special note of the statement by Azerbaijan's President G. Aliyev that the upcoming elections in Azerbaijan would be democratic in nature

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and that all parties would be afforded the opportunity to take part in them, David Johnson, acting spokesman for the U.S. State Department, expressed concern at the recent refusal of the Ministry of Justice to register the NFA [People's Front of Azerbaijan] as a political party, and he voiced the hope that this question would be reexamined in coming days in the spirit of Azerbaijan's statements supporting the idea of the conduct of free, multiparty elections.

Today the boundaries of permissible interference by certain states in the affairs of others have expanded significantly. In any case, protection of human rights is no longer considered interference in internal matters. Moreover, we know that the United States has assumed for itself the role of defender of democracy throughout the world. Therefore, there is hardly anything surprising in the fact that the United States reacted so sharply to the NFA's dismissal from participation in the parliamentary elections. Something else is clear too, however. The Ministry of Justice refused to register two other parties in addition to the NFA—the Islamic Party of Azerbaijan [IPA] in particular. It is only logical to try to explain what considerations prompted the United States to decide so openly to take the NFA under its wing, solely and exclusively.

First of all, the key to understanding may lie in the prestige of the political organization itself. Thus, despite its removal from power, a number of notorious criminal cases, and constant accusations of terrorism and subversive activity (incidentally, the United States believes the latter cannot be precisely defined), the NFA continues to comprise one of the leading opposition forces. This conclusion can be drawn from the prestige of the newspapers AZADLYG and CHAG, if from nothing else. Let us be frank—the other two unregistered parties do not have such influence in society. But one cannot fail to take an influential party into account, as was illustrated during the parliamentary elections in Armenia. The United States can hardly be expected to harbor especially warm feelings towards the Dashnaktsutyun. However, its prohibition immediately prior to the parliamentary elections in Armenia elicited a fairly negative reaction on Washington's part.

Secondly, we must not forget that in any case the United States will fight primarily for its own interests. The NFA is known precisely for its firm and consistent support of a pro-West policy and Azerbaijan's orientation on alliance with Turkey and the United States. It would be naive at the very least to expect the same kind of U.S. attitude with respect to the pro-Iranian IPA. In this regard, we may recall the sad story surrounding the first free elections in Algeria. When the results of the first round were made public and it became clear that the elections would result in a convincing victory for the Islamists, the Algerian authority declared a state of emergency, with tacit consent from the West, and simply decided not to conduct a second round of voting, thereby denying the Islamists the opportunity to accede to power through democratic means. Following this, the latter took up arms, which led to the beginning of a bloody civil war. No one in the United States was disturbed, for example, at the prohibition placed on neofascist organizations or the job restrictions with respect to Communists in the FRG. Thus, U.S. indifference to the fate of the Islamists and their election campaign hopes is entirely defensible. For the time being, they do not have sufficient influence in Azerbaijan, but admittance to participation in the election campaign and, consequently, access to the electronic mass media cannot help but bring about a rise in influence of the IPA, especially since the disastrous 907th amendment to the Act on Supporting Freedom is for pro-Iranian forces the kind of "agitation card" they can only dream of.

Deputy Premier Receives Israeli Agricultural Experts

NC1808191095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 18 Aug 95

[FBIS Translated Text] Today First Deputy Prime Minister Abbas Abbasov received a group of Israeli experts on agricultural reforms.

[Unidentified correspondent] First Deputy Prime Minister Abbas Abbasov gave detailed information on the republic's economy to a delegation headed by Israeli Ambassador to Baku Yelizar Yotwat. He noted that at present two state commissions on privatization and agroindustry are working to implement the economic reforms. In this period, there is a special need to introduce foreign techniques and technology to the agricultural sector and enlist experts' assistance for the Azerbaijani agricultural sector.

During the current visit, the Israeli agricultural experts are to hold talks on providing assistance for the development of the republic's poultry and fishing industry. The guests and their hosts are discussing the prospects of developing these sectors in Ganja and Mingechaur.

(?Iri Gore), Israeli expert on the fishing industry, stressed that the republic has powerful economic potentials and noted that efforts should be made to revive the economy by making use of the the mutually advantageous business ties between he two peoples. The poultry and fishing industries could bring in much income with little investment. The presidents of the Azerbaijani state fishing and poultry firms were present at the meeting.

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They highly assessed Israeli experts' proposals on the joint development of the republic's agricultural sector.

Noting the advance stage of Israel's economic relations with our republic, Abbes Abbasov hoped for the success of both countries' experts in further developing these ties.

Aliyev Agrees To Meet With Striking Oil Workers

NC1808184995 Baku TURAN in English 1011 GMT 18 Aug 95

[FBIS Transcribed Text] Baku/18.08.95/TURAN — Today the oil-industry workers of 28 May Oil and Gas Extraction Management suspended the strike. It has become possible when President Aliyev promised to receive the oil-industry workers and hear their problems, the Deputy Chairman of free trade union of oil-industry workers of the oil-gas extraction industry, Laytif Sultanov, told TURAN.

The oil-industry workers suspended their work August 15 and demanded payment of wages for April-July, 1995 and meeting with President Aliyev to achieve stable guarantees for improvement of living standard of the oil-industry workers. Yesterday 12 additional enterprises of the oil industry also adopted the resolution on joining the strike of 28 May Oil and Gas Extraction Management.

Due to this fact, yesterday the administration of SOCAR [State Oil Company of the Azerbaijan Republic] left for Chilov Island, where the Management is located, for the talks with the oil-industry workers. Sultanov said 7-hours talks brought no results. The oil-industry workers said they will suspend strike when President Aliyev will receive them. They did not move from their positions when SOCAR's President, Natik Aliyev, threatened to impose martial law at the oil-fields.

Sultanov reports last night Natik Aliyev met with Azeri President and informed him about the situation at the oil-fields, President Aliyev promised that he will receive oil-industry workers next Thursday [24 August] and asked to stop the strike.

The reason for the crisis arisen in the oil industry is non-payment of debts by other fields. Presently the State Fuel Committee owes SOCAR about 850 billion manats. At the same time, the Ministry of Agriculture, the state concerns AZAL, Azerenerzhi, Azerigas owe the State Fuel Committee more than 650 billion manats.

Georgia

EC Praises Prime Minister For Implementing Aid Program

LD1808172695 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 18 Aug 95

[FBIS Translated Text] Georgian Prime Minister Otar Patsatsia met a mission from the European Commission, led by Jean-Pierre Peters, the first director general of the mission, on 18 August. The mission's visit is aimed at drawing up a memorandum on the third program, which stipulates assistance to the countries of the Transcaucasus and Central Asia from November 1995 through November 1996. The third program deals mainly with foodstuffs and produce required for the development of agriculture. The European Commission has allocated 197 million Ecu for the implementation of this program. In order to prepare the memorandum, groups from the European Commission will hold meetings with top officials of the Ministry of Agriculture and Food Industry, bakery products corporation, the rail and maritime shipping departments, as well as the management of sea ports in Poti and Batumi.

Peters spoke highly of the contribution Prime Minister Otar Patsatsia rendered to the proper implementation of the second program and expressed hope that the third program would also be implemented successfully under his supervision.

Shevardnadze Favorite in Presidential Election Poll

LD1808194495 Tbilisi CONTACT INFORMATION AGENCY in Russian 1530 GMT 18 Aug 95

[FBIS Translated Text] Tbilisi [no date as received] — Today, the Institute of Demography and Sociological Research of the Georgian Academy of Sciences disseminated results of an opinion poll carried out with regard to major political developments in the country.

The results of the poll show that 72 percent of the residents of Tbilisi are watching closely the process of adopting a draft constitution by the parliament and 81 percent of Tbilisi residents believe that elections should be held on the day appointed by the parliament.

As far as future presidential elections are concerned, 66 percent of respondents intend to cast their votes for Georgian head of state Eduard Shevardnadze.

The Union of Citizens of Georgia, led by Eduard Shevardnadze, has been regarded as a leader among political parties and associations by 55 percent of the respondents.

Every other respondent has no doubts that certain political or criminal forces will attempt to destabilize

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the situation in the country in the run-up to the elections, while nine percent of the respondents acknowledge the likelihood of terrorist acts.

Shevardnadze Dismisses Mkhedrioni As 'Unrealistic'

LD2108110495 Moscow ITAR-TASS World Service in Russian 1038 GMT 21 Aug 95

[By ITAR-TASS correspondent Tengiz Pachkoriya]

[FBIS Translated Text] Tbilisi, 21 Aug (ITAR-TASS) — The Mkhedrioni, founded in the late 1980s by Dzhaba Ioseliani, a member of the present parliament, are not a realistic political force and are in no condition to seriously influence Georgian politics, Head of State Eduard Shevardnadze told Georgian radio today.

Shevardnadze said that nobody — including the Mkhedrioni and their allies — is in a position to overthrow the present Georgian leadership. This was his response to a call by Dzhaba Ioseliani for the opposition to unite against the "Shevardnadze dictatorship", and to calls by Ioseliani and some other politicians for Shevardnadze's resignation.

In his radio interview, Shevardnadze called on all democratic forces in Georgia to pool their efforts, to adopt the new constitution, and to hold free parliamentary and presidential elections in November this year.

Mkhedrioni: Georgia is Police State

LD2108110095 Tbilisi IPRINDA in Russian 0950 GMT 21 Aug 95

[FBIS Translated Text] Tbilisi, 21 Aug — The Mkhedrioni political party held its conference, the first since its foundation, on 20 August. Speaking at the conference parliament deputy Jaba Ioseliani, the leader of the organization, said that the Mkhedrioni would not permit dictatorship to be established in the country. "We have taken an oath that Georgia will be a democratic state rather than a police state, which it is now," Ioseliani said. According to Ioseliani, each large-scale operation carried out by the Georgian Ministry of Internal Affairs costs $60,000. As much as $1 million has already been spent on the actions but just for nothing because during these operations only five or six people are usually detained.

Ioseliani also said that the Mkhedrioni intended to expand. Women as well as representatives of the intelligentsia will be drawn into the organization. Anyone who gets two written references from members of the Mkhedrioni, can join.

Speaking of a draft constitution currently discussed by the parliament, Ioseliani said that the Constitution was unlawful because it was being adopted in an unlawful way — 42 deputies from the parliamentary majority, having no right to vote because they combine their deputy seats with other offices, voted for it.

Support for Law-Enforcement Bodies Demonstrated

LD1908114595 Tbilisi Radio Tbilisi Network in Georgian 1110 GMT 19 Aug 95

[FBIS Translated Text] Georgian Head of State Eduard Shevardnadze had a meeting on 19 August with the leadership of the Georgian Ministry of Internal Affairs, heads of departments and the Georgian Prosecutor-General. The meeting focused on operations carried out by the police in Telavi, Borjomi, Samtredia, and Tsalenjikha, during which well-armed and well-organized criminal groups were arrested for banditry, murder and numerous cases of robbery. It was indicated that today's meeting could be regarded as yet another demonstration of the support the police and law-enforcement bodies received from the republic's authorities.

Shevardnadze Denies 'Unleashing War' in Abkhazia

LD1808211495 Moscow Mayak Radio Network in Russian 1700 GMT 18 Aug 95

[FBIS Translated Text] Georgian head of state Eduard Shevardnadze categorically denied claims that he had informed the Russian leadership of Georgia's plans before the start of the conflict in Abkhazia in conversation with an INTERFAX correspondent today. The press service recalled that the Georgian leadership's plans had consisted of — and I now quote — not unleashing war on the territory of its country but restoring control over the main rail and road routes with the aim of averting robberies of food trains passing through Abkhazia and western Georgia on their way to Tbilisi, unquote.

Abkhazia Reportedly Prepares Amnesty for Criminals

LD1808201495 Tbilisi CONTACT INFORMATION AGENCY in Russian 1530 GMT 18 Aug 95

[FBIS Translated Text] Tbilisi [no date as received] — The press service of the Tbilisi-based Supreme Council of the Autonomous Republic of Abkhazia reports that Vladislav Ardzinba, the leader of Abkhaz separatists, has prepared a decree on an amnesty for the participants of a "liberation war," who were tried later for various offenses. The amnesty is timed to the second anniversary of the ill-famous "victory" of the secessional regime.

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The action will doubtless affect the ethnic Georgian population of the territory occupied by the separatists for freedom is granted to arrant criminals.

Officials Deny Armenian Assertions of Stealing Gas

LD1908175995 Moscow INTERFAX in English 1640 GMT 19 Aug 95

[FBIS Transcribed Text] Tbilisi, Aug 19 (INTERFAX) — Tbilisi has denied assertions by Armenian officials that Georgia has misappropriated part of the natural gas that Turkmenistan exported to Armenia via a pipeline that runs through Georgian territory.

The head of Georgia's gas authority has dismissed as groundless Yerevan's claim that Georgia had taken for itself 600 million cubic meters of gas that was on its way to the neighboring ex-Soviet republic.

David Eliashvili told Interfax that, as far as he knew, Armenia had an agreement with Turkmenistan to import 2.2 billion cubic meters of Turkmen gas a year. He said that, in the seven months from January to July, Armenia received 808 million cubic meters and that Georgia simultaneously received 644 million cubic meters under its own agreements, Eliashvili said.

He said the amount Armenia had failed to get did not exceed 48 million cubic meters and that what had caused the loss were reconstruction of the pipeline and damage done to its Georgian and Russian sections by several bombings, which put the pipeline out of service for more than 20 days. Also, some gas had leaked out because of the disrepair of the pipeline, Eliashvili said.

Yet Armenia insists that it has lost 600 million cubic meters of gas. Armenian Prime Minister Hrant Bagratyan, following a meeting with his Georgian counterpart, told a news conference on August 15: "The Armenian side has assumed a fairly tough position."

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Estonia

President Meri Signs Ratification of EU Agreement

WS1808144095 Tallinn BNS in English 1300 GMT 18 Aug 95

[FBIS Transcribed Text] Tallinn, Aug 18, BNS — Estonian President Lennart Meri on Thursday [17 August] signed the instrument of ratification of the association agreement between Estonia and the European Union, known as the Europe Agreement.

The signing completed Estonia's internal procedures and opened the way for ratification of the agreement by EU member nations, the Foreign Ministry press service informs.

The Estonian parliament approved the accord with votes 86-0 at an extraordinary session Aug. 1. All factions and parties represented in the legislature were in favor of ratification.

Moving fast toward full membership in the European Union, Estonia was the first of the three Baltic states to ratify its agreement.

Estonia's free trade agreement concluded last year and the association agreement signed by Prime Minister Tiit Vahi June 12 in Luxembourg are the first among those between the EU and Central European states which have no transition periods.

Minister for Euroreforms Endel Lippmaa called the ratification the most important decision made by the Estonian parliament. In addition to the obvious economic benefits of associated and eventual full membership in the EU, Estonia places great importance on the concomitant political dialogue as well as on the implications of the common foreign and security policy for security and stability in Europe as a whole.

Meri Sends Condolences to Clinton Over Frasure Death

LD2008163595 Tallinn Radio Tallinn Network in Estonian 1500 GMT 20 Aug 95

[FBIS Translated Text] President Lennart Meri sent U.S. President Bill Clinton his condolences. Lennart Meri writes that the tragic death of Robert Frasure and his colleagues in former Yugoslavia deeply shocked him and his family. Meri notes that he lost a close friend, and the United States and the Republic of Estonia lost a diplomat whose life was dedicated to defending democracy, independence, and human rights.

President Meri also brought his condolences to Lawrence Taylor, U.S. ambassador to Estonia, and they discussed a commemoration service in Tallinn. President Meri posthumously awarded Robert Frasure with the order of Maarjamaa Rist.

Foreign Minister Views Security With Latvia's Birkavs

WS1808142395 Tallinn BNS in English 1300 GMT 18 Aug 95

[FBIS Transcribed Text] Tallinn, Aug 18, BNS — Estonian Foreign Minister Riivo Sinijarv and his Latvian counterpart Valdis Birkavs met Thursday [17 August] in the west Estonian seaside resort of Parnu to discuss Baltic states' security problems and preparations for a meeting between the Baltic and Nordic states' foreign ministers to be held in Kolding, Denmark, on Aug. 30.

Sinijarv and Birkavs also thrashed out an idea for a Baltic regional security committee and returned once again to the Estonian-Latvian sea border issue. The ministers decided that sea border talks between the two countries are to be continued, an Estonian Foreign Ministry spokesman told BNS.

The meeting between the two ministers came as a surprise as, contrary to tradition, no information about it was released in advance. A Latvian Foreign Ministry spokesperson said Thursday the talks are unofficial and confidential and declined to disclose the topics to be discussed.

Government Decree Seen As Curbing Press Freedom

WS1808135595 Tallinn BNS in English 1000 GMT 18 Aug 95

[FBIS Transcribed Text] Tallinn, Aug 18, BNS — A draft government decree prepared by Culture Minister Jaak Allik, which stipulates licensing of periodical publications partly or fully based on foreign capital, is regarded by several newspapers as a step toward restricting the freedom of the press by the Coalition Party/Center Party government.

Allik gave as the reason for the decree the need to protect the Estonian press against foreign capital.

The minister said in an interview with the ARIPAEV (Business Day) newspaper that the draft decree is backed by the country's journalistic circles. The only name he gave was that of Hans H. Luik, the owner of the leading weekly EESTI EKSPRESS and a major shareholder in the third-biggest daily EESTI SONUMID. Another major shareholder in EESTI SONUMID, Robert Lepikson, is a Coalition Party member like Allik. He was appointed Defense Ministry chancellor with the support of the present government.

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Mart Kadastik, board chairman of the Postimees joint-stock company that publishes Estonia's leading daily of the same name, told BNS any kind of licensing of the press is wrong in principle.

Editor in chief Igor Rotov of the ARIPAEV business paper, which is 51 percent owned by the Swedish Bonnier media concern, said the draft decree is an obvious attempt to curb the freedom of the press. He voiced the hope the Cabinet will not approve it.

"I tend to think this is just an example of Culture Ministry officials' stupidity pure and simple," Rotov noted. The editorial in Friday's issue of ARIPAEV said licensing would allow the government to control the press and jeopardize democracy in Estonia.

A member of the Center Party board, Rein Veidemann, backed the idea of licensing, saying it helps to protect the Estonian market against the supremacy of big media concerns. He named the ARIPAEV newspaper as an example of the adverse influence of foreign capital.

"I've gained the impression that ARIPAEV partly represents in terms of its contents the influence of liberal international capital and is averse to paying heed to and protecting national interests," Veidemann stated.

Both Finance Minister Mart Opmann (Coalition Party) and Economics Minister Liina Tonisson (Center Party) are opposed to the proposed licensing.

Lithuania

Speaker Rejects 'Forcible Assimilation' of Minorities

MM1808143395 Moscow TRUD in Russian 17 Aug 95 p 3

[Interview with Seimas Chairman Ceslovas Jursenas by Olga Solomonova: place and date not given: "Ceslovas Jursenas: 'We Were Always Somewhat Different.' Lithuanian Parliamentary Delegation Recently Visited Moscow. Chairman of Republic's Seimas Answers TRUD Correspondent's Questions"]

[FBIS Translated Excerpt] [Solomonova] What was the purpose of your trip, Mr. Jursenas?

[Jursenas] This was my first official visit to Russia. We came at the invitation of the Federation Council and met with prominent Russian statesmen. The aim was, on the one hand, to elucidate the Russian stance on issues of concern to us and, on the other, to present our viewpoint "at first hand." Although in principle there have been no particularly grave contentious issues between our countries of late. On the contrary, we are friendly and we value Russia's desire for good-neighborliness. Of course, we also had a comprehensive discussion of specific problems in bilateral relations.

[Solomonova] Was the question of joining the Commonwealth of International States and the Interparliamentary Assembly raised?

[Jursenas] Oh no, that is not even subject to discussion. Since we have uncoupled ourselves — and were, moreover, the first to do so and did so with determination — there is no point in turning back the clock. We are cooperating with Russia on a bilateral basis, and we want to carry on organizing our relations in that way.

Needless to say, we also talked about the development of interparliamentary cooperation. Our Seimas is interested in closer ties with the Russian parliament. Since Lithuania and Russia are heading toward Europe and thus we do to some extent have a similar law-making agenda. [passage omitted]

[Solomonova] It is known that the national state system in Lithuania was formed more smoothly than in Latvia and Estonia. Why is that?

[Jursenas] There were no profound ethnic conflicts in our country during the Middle Ages and czarist times or during the first independent republic. Historically Lithuania does not have a trail of interethnic strife.

As for the recent past, of course there were some nationalist demonstrations. And that is logical. After all, in order to be nationally aware and take legal form it is necessary to dispense with something. Obviously with the Soviet Union. And who rules the roost there? The Russians. We did indeed carry out deportations and inculcate collectivization and our local communism — but under pressure from the Russians. These sentiments were around and these arguments were used. There were also slogans like "Lithuania for the Lithuanians!" But nonetheless evidently local Russians gave no particular cause for conflict, and our Sajudis leaders and the Communist Party had enough common sense at the time to avoid difficulties. The liberal citizenship law adopted in 1989 envisaged a "zero option" whereby every permanent resident of Lithuania received citizenship. Then this law was improved on two occasions, but its liberal essence remained unchanged. People were able to calmly legalize their citizenship and settle property questions. And the problem's acuteness was alleviated.

Our party's position is this: All citizens of Lithuania are equal; it does not matter what nationality they are. It is important to work for the good of Lithuania and seek one's happiness there.

[Solomonova] How, in your view, Mr. Jursenas, or rather what will bring happiness to Russians, Jews,

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Poles, and other non-Lithuanian nationals in Lithuania — assimilation, or the preservation of their originality?

[Jursenas] Whatever suits them better. Everything here depends on the specific community and the specific family. Everyone decides for themselves how to live and whom to marry. Forcible assimilation is undemocratic and has no future. There are certain extremist statements by certain individuals. But you too have plenty of them — by supporters of great-power status and by nationalists. I think that the Russians in Lithuania and the Lithuanians in Russia should feel comfortable.

The only thing that I always stress is: If you live in Lithuania, learn Lithuanian. Only here, too, there should be no pressure on our part. In time the language spoken by over 80 percent of the country's population will be required to read newspapers, go to the theater, socialize, and fall in love. Although newspapers in our country are published in Russian and in Polish and television carries programs in many languages, as does the radio. One of the most popular radio broadcasts, for instance, is in Russian. Everyone listens to it, even the Lithuanians. Just because it is interesting....

Belarus' Chyhir Arrives on One-Day Economic Visit

WS1808121795 Minsk Radio Minsk Network in Belarusian 1000 GMT 18 Aug 95

[FBIS Translated Text] Prime Minister Mikhail Chyhir today arrived in Lithuania on a one-day visit at the head of a large delegation of Belarusian businessmen. The itinerary for the visit was arranged in such a way that the Cabinet of Ministers head will spend the whole day not in the Lithuanian capital, but in the port city of Klaipeda. The Belarusian prime minister will be accompanied by his Lithuanian counterpart Adolfas Slezevicius. At a news conference held in Vilnius yesterday, Slezevicius told journalists that Lithuania is very interested in increasing transit shipments of Belarusian goods to the west via the Klaipeda port.

The itinerary for the Belarusian prime minister's visit also envisions his meetings and talks with the leadership of the city and the seaport, as well as learning about the latter's capacities. No documents are expected to be signed during the visit.

Klaipeda Cargo Transport Discussed

LD1908172295 Moscow INTERFAX in English 1244 GMT 19 Aug 95

[FBIS Transcribed Text] KLAIPEDA, Aug 19 (Interfax) — For the second day running Belarussian and Lithuanian Prime-Ministers Mikhail Chigir and Adolfas Slezevicius are discussing prospects for the transportation of more cargo via the Klaipeda port.

On August 18 the Belarussian delegation familiarized with the port and prospects for the development of the Lithuanian transportation system and held talks with Lithuanian Cabinet Ministers and Klaipeda government.

Slezevicius told his Belarussian counterpart that the Klaipeda sea port "faced good prospects" now that the Klaipeda-Vilnius-Minsk-Kiev-Odessa corridor had been "incorporated into the system of the strategically important routes of Europe." Moves will be made very soon for the creation of a free economic zone in the Klaipeda port, Slezevicius said.

Vilnius would welcome Belarussian involvement in the construction of facilities for the loading of mineral fertilizers, at Klaipeda port.

And Belarus' would-be trade marine "could be based in Klaipeda," Slezevicius said.

Defense Cooperation Agreement Signed With Norway

MM2108091595 Moscow PRAVDA in Russian 19 Aug 95 p 1

[Unattributed report under the "From PRAVDA's Own News Bureau" rubric: "Building a Bridge to NATO"]

[FBIS Translated Text] The leaders of the Lithuanian and Norwegian military departments have signed an agreement "On Contacts and Cooperation in the Defense Sphere" in Vilnius. This document is already Lithuania's sixth treaty with a NATO member state and is backed by specific pledges of mutual assistance.

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